

**JEA
BOARD AGENDA**

DATE: December 15, 2015
TIME: 12:00 PM
PLACE: JEA
21 West Church Street
8th Floor, Board Room

I. WELCOME

- A. Call to Order
- B. Time of Reflection
- C. Pledge to Flag
- D. Adoption of the Agenda
- E. Safety Briefing

Meeting participants are asked to turn their cell phones completely off

II. PRESENTATIONS AND COMMENTS

- A. Comments from the Public
- B. Council Liaison's Comments – The Honorable Bill Gulliford
- C. Office of the Mayor Liaison's Comments – Dr. Johnny Gaffney
- D. [Sunshine Law/Public Records Statement](#) – Office of General Counsel (OGC)

III. FOR BOARD CONSIDERATION

- A. Consent Agenda – The Consent Agenda consists of agenda items that require Board approval but are routine in nature, or have been discussed during previous public meetings of the Board. The Consent Agenda items require no explanation, discussion or presentation, and are approved by one motion and vote.
 - 1. [Approval of Board Workshop Minutes November 17, 2015](#) – action
 - 2. [Approval of Board Meeting Minutes November 30, 2015](#) – action
 - 3. [Customer Escalation Summary](#) – information

4. [Real Estate Acquisition Report](#) – information
5. [Monthly JEA Operations Report](#) – information
6. [Monthly JEA Financial Statements](#) – information
7. [Monthly FY16 Communications & Engagement Calendar and Plan Update](#) – information

B. Strategic Discussions/Action

1. [Customer Engagement](#) – Monica Whiting, Chief Customer Officer – 10 minutes – presentation/information
2. [St. John’s River Power Park \(SJRPP\) System Employees’ Retirement Plan – Restatement of Plan Document](#) – Angie Hiers, Chief Human Resources Officer – 10 minutes – presentation/information
3. [Bi-Monthly Finance Presentation](#) – Melissa Dykes, Chief Financial Officer – 10 minutes – presentation/information

C. Other New Business

D. Old Business – none

IV. REPORTS

- A. Managing Director/CEO’s Report
- B. Chair’s Report

V. CLOSING CONSIDERATIONS

- A. Announcements
- B. Adjournment



INTER-OFFICE CORRESPONDENCE
December 10, 2015

SUBJECT: BOARD MEETING AGENDA

FROM: Melissa Charleroy and Cheryl Mock, JEA Executive Assistants

TO: All Members, JEA Board of Directors

Scheduled times and locations for JEA meetings to be held **Tuesday, December 15, 2015**, are as follows:

12:00 PM **Board Meeting**
 8th Floor, JEA Tower

We are looking forward to seeing you on the **15th**. Please call Melissa Charleroy at 665-7313 or Cheryl Mock at 665-4202 if you require additional information.

/mmc

Cc:

- | | | | | |
|--------------|------------|---------------|-----------------|-----------|
| P. McElroy | T. Hobson | S. Tuten | W. Stanford | J. Bryant |
| M. Brost | B. Roche | M. Charleroy | M. Evans | V. Wright |
| P. Cosgrave | M. Whiting | S. Kluszewski | J. Brooks, OGC | |
| M. Dykes | J. Upton | C. Mock | J. Gabriel, OGC | |
| A. Hiers | G. Boyce | N. NesSmith | C. Edgar | |
| M. Hightower | J. Gutos | R. Ruiz-Adams | B. Fore | |

e-copy:

Patrick Maginnis
Security Desk
Security Office
Brandi Sneed
Russell Park
Ted Delay

Florida's Government in the Sunshine Law
Office of General Counsel

This meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011, Florida Statutes, and shall be open to the public at all times. Official acts of the JEA Board may be conducted at this meeting that will be considered binding on the JEA. Reasonable notice has been provided and minutes of this meeting shall be taken and promptly recorded.

JEA
Board Workshop Minutes
November 17, 2015

The JEA Board met for a workshop on Tuesday, November 17, 2015, in the 8th Floor Board Conference Room, 21 W. Church Street, Jacksonville, Florida 32202. Members in attendance were Robert Heekin, Husein Cumber, Delores Kesler, and Tom Petway. Kelly Flanagan and Warren Jones attended in observance. Others in attendance were Paul McElroy, Angie Hiers, Melissa Dykes, Council Liaison Bill Gulliford, Dr. Johnny Gaffney, City of Jacksonville, Jody Brooks, Office of General Counsel, Brad Kitchens, ScottMadden, Inc., and Pat Davis, Hazen & Sawyer, Inc.

1. Safety Briefing – Paul McElroy, Managing Director and Chief Executive Officer provided the Safety Briefing.
2. Planning for 2030 – Brad Kitchens, President and Chief Executive Officer, ScottMadden, Inc., provided a presentation highlighting past trends the electric utility industry has faced since the year 2000 including: deregulation of retail choices, unbundling and diversification, active consolidation, stranded assets, and regulatory negotiations and rate freezes. Mr. Kitchens also reviewed future industry trends including: fuel prices, declining load growth, declining return on equity, significant increase of renewable energy, increase of Distributed Energy Resources (DER), change in climate, Generation Y, and consolidation. This presentation was received for information.
3. Water Industry Trends and Challenges – Pat Davis, Vice President, Hazen & Sawyer, Inc., provided a presentation on the water industry key trends and challenges. Mr. Davis stated the biggest challenges in the industry include: aging infrastructure, value of water, funding limitations, water scarcity, climate change, and a retiring workforce. Mr. Davis also reviewed the technological advancements in the water and wastewater industry. Water technology trends include: biofiltration, advanced oxidation, ion exchange, membranes, and data management including: era of big data, turning information into knowledge, and smart operations. Mr. Davis also presented wastewater technology trends include: treatment intensification and resource recovery. This presentation was received for information.

At 1:16 PM, the Board took a brief recess and reconvened at 1:20 PM. Mr. Petway and Ms. Flanagan exited the workshop to attend the City Council Rules Committee meeting.

4. Setting of JEA Strategic Goals – Melissa Dykes, Chief Financial Officer, provided a presentation highlighting JEA's strategic planning process, which began in FY2012. Ms. Dykes reviewed JEA's proud history of operational excellence, environmental leadership, as well JEA's service to the community. Ms. Dykes stated JEA's challenges include: declining revenues, rising costs, dissatisfied customers, disruptive technologies, and competitive and regulatory threats. Ms. Dykes stated the JEA Board of Directors provided key input in strategic planning and goal setting. Ms. Dykes reviewed JEA's Mission, Vision, and Core Values, and the strategic initiatives including: Deliver Business Excellence, Develop an Unbeatable Team, and Earn Customer Loyalty. Ms. Dykes reviewed JEA's

FY2013 successes including achieving exceptional operational goals, customer satisfaction improvements, and the betterment of employee teams without increasing costs.

At 1:37 PM, Mr. Jones exited the workshop to attend the City Council Rules Committee meeting.

5. FY2015 Pay for Performance Program – Angie Hiers, Chief Human Resources Officer, provided a presentation on the Fiscal Year 2015 Pay for Performance Program. Ms. Hiers stated the Board of Directors approved the FY2015 Pay for Performance Program at the December 16, 2014 meeting. Ms. Hiers stated JEA’s program delivers an incentive when goals are achieved and operations and maintenance cost savings are realized to pay for the program. The presentation was provided to the Board for advice and direction. Staff will submit this agenda item at the November 30, 2015 Board Meeting for consideration of approving: the original Pay for Performance Program design and payout, the modified Pay for Performance Program design and payout, or an alternative plan design.
6. FY2016 Pay for Performance Program – Angie Hiers, Chief Human Resources Officer, presented the current Pay for Performance Program is supportive of JEA’s strategic plan, with focus on Customer Satisfaction, Safety, and Costs. The presentation was presented for advice and direction. Staff will provide this presentation at the November 30, 2015 JEA Board Meeting for consideration to: approve the FY2016 Pay for Performance Program which incorporates changes from the FY15 plan including: removing any payout for less than 100% achievement, lowering cost targets to prior years’ actual, and reducing targeted pay maximums for the Executive Leadership Team (ELT) and Senior Leadership Team (SLT); approve the FY2016 Pay for Performance Program goals and objectives and defer or suspend the compensation component of the plan; or approve an alternative solution.
7. FY2015 CEO Performance – Paul McElroy, Chief Executive Officer, presented a draft FY2015 CEO scorecard for information. Mr. McElroy provided Board Members with a quantitative scorecard for review. Mr. McElroy stated Jody Brooks, OGC, will be contacting Board Members individually to obtain feedback for improvement. Ms. Brooks stated, by contract “the CEO is eligible for performance compensation of up to 15% of base pay, which is based on (i) annual goals and objectives established by the Board of Directors, and (ii) an annual overall evaluation by the Board. This agenda item will be submitted for action at the November 30, 2015 Board Meeting.
8. FY2016 CEO Goals – Paul McElroy, Chief Executive Officer, presented the CEO FY2016 goals were provided to the Board at the October 30, 2015 meeting for review and feedback. The Board Member’s comments have been incorporated and an updated document is provided to the Board for information. This agenda item will be submitted to the Board for approval at the November 30, 2015 meeting.

With no further business claiming the attention of the Board, the workshop was adjourned at 12:04 PM.

APPROVED BY:

SECRETARY

DATE: _____

Prepared by:

Melissa Charleroy
Executive Assistant

JEA
BOARD MINUTES
November 30, 2015

The JEA Board met in regular session on Monday, November 30, 2015, in the 8th Floor Board Meeting Room, 21 W. Church Street, Jacksonville, Florida. Present were Tom Petway, Delores Kesler, Husein Cumber, Kelly Flanagan, and Warren Jones. Ed Burr was absent and excused.

Prior to the meeting, Jody Brooks, Office of General Counsel, stated the Board Officer positions are currently vacant. Ms. Brooks provided instruction to Board Members on the nominating process to elect a slate of officers. The meeting was called to order at 10:02 AM by Mr. Cumber. On motion by Mr. Cumber and second by Ms. Kesler, the Board unanimously approved Mr. Petway as Board Chair. On motion by Ms. Kesler and second by Mr. Jones, the Board unanimously approved Ed Burr as the Board Vice Chair. On motion by Mr. Jones and second by Ms. Flanagan, the Board unanimously approved Ms. Kesler as Board Secretary. Ms. Brooks stated the Board will nominate a new slate of officers at the March 15, 2016 Board Meeting.

Agenda Item I – Welcome

- A. The meeting was **recalled to order** at 10:07 AM by Chair Petway.
- B. A **Moment of Reflection** was observed by all.
- C. The **Pledge of Allegiance** was led by Chair Petway.
- D. **Adoption of Agenda** – The agenda was approved on **motion** by Mr. Jones and second by Secretary Kesler.
- E. The **Safety Briefing** was given by Paul McElroy, Managing Director/Chief Executive Officer.

Agenda Item II – Presentations and Comments

- A. **Comments from the Public** – None
- B. **Council Liaison’s Comments** – The Honorable Bill Gulliford was not in attendance due to City Council business.
- C. **Office of the Mayor Liaison’s Comment** – Dr. Johnny Gaffney stated that he is honored to be in attendance representing Mayor Curry. As Board Liaison, Dr. Gaffney stated he will ensure the concerns of Boards and their members are heard. Dr. Gaffney conveyed Mayor Curry’s interest for the JEA Board.

Agenda Item III – For Board Consideration

- A. **Consent Agenda** – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. On **motion** by Mr. Cumber and second by Secretary Kesler, item 1 on the Consent Agenda was unanimously approved and items 2 through 4 were received for information.
 - 1. Approval of Board Meeting Minutes October 30, 2015 – approved
 - 2. Resolution Honoring Doris Champ, Director Audit Services – received for information
 - 3. Monthly JEA Financial Review & Statements – received for information

4. Monthly FY16 Communications & Engagement Calendar and Plan Update – received for information

B. Strategic Discussions/Action

1. American Federation of State, County, and Municipal Employees (AFSCME) Collective Bargaining Agreement (October 1, 2015 to September 30, 2016) – Angie Hiers, Chief Human Resources Officer, provided a presentation on the proposed labor agreement for AFSCME. Ms. Hiers stated negotiations concluded on September 24, 2015. AFSCME held a ratification vote on November 5, 2015, at which time the membership approved the proposed agreement. Significant changes to the existing status quo include the following: each active member at the time of ratification shall receive a one-time lump sum payment equal to 1.5% of the base salary and a ratification incentive of \$100.00, standardized grievance response timelines, added fit for duty language, established language for letters of counseling and a one-year agreement effective October 1, 2015 through September 30, 2016. On **motion** by Mr. Jones and second by Ms. Flanagan, the Board unanimously approved the ratified agreement between JEA and AFSCME.

Jody Brooks, OGC, reminded Board Members, that unless there is a true conflict of interest, each Board Member is required to vote.

2. Approval of Resolution: FY2016 Budgetary Transfers – Melissa Dykes, Chief Financial Officer, presented the budget ordinance includes the authority for JEA to transfer appropriated funds from one of the purposes for which funds are appropriated to another such purpose during the fiscal year. For administrative purposes, the Board typically delegates authority to the Managing Director to make transfers that meet certain criteria. On **motion** by Secretary Kesler, and second by Mr. Jones, the Board unanimously approved Resolution 2015-05 authorizing the Managing Director to approve transfers between approved budget line items within the JEA budget for FY2016 up to \$5.0 million per transfer, except in the event of an emergency or year-end adjustments, where transfers over \$5.0 million will be brought to the Board for ratification. This approval also includes the ratification of the FY2015 year-end budget transfers.
3. Revolving Credit Facility for Operational/Capital Purposes and Liquidity – Melissa Dykes, Chief Financial Officer, presented that JEA has revolving credit agreements (revolvers) totaling \$300 million to provide additional funds, as may be needed, for JEA's operational and debt management needs. The current revolvers are scheduled to expire within the next 12 months. Ms. Dykes stated JEA has not made any borrowings under the two revolvers and does not anticipate a need to do so. However, based on the bids received, JEA may be required to make a small draw to improve the overall cost of the revolver. Through JEA's financial adviser, a Request for Information (RFI) was submitted to 18 financial institutions to replace the currently expiring facilities. Ms. Dykes stated three bids have been received and pending approval by the Board, JEA is optimistic an award can be made in time to provide the name of the winning institution at the Rating Agency presentations on December 10-11, 2015. On **motion** by Mr. Cumber, a second was made but was inaudible, and the Board unanimously approved and adopted the amended and restated note Resolution 2015-06, which delegates to the Managing Director and CEO the authority to select revolver providers in accordance with the JEA procurement code and to substitute revolvers within stated parameters.

4. Pay for Performance

- a. FY2015 Pay For Performance – Angie Hiers, Chief Human Resources Officer provided the Board with an overview of JEA’s compensation philosophy which helps JEA to attract, recruit, and retain high caliber employees. Ms. Hiers provided an overview of JEA’s historical wage increase data from 2009 – 2016. The wage increases are to ensure JEA is paying employees equitably and competitively in order to retain the critical skills needed at JEA. Ms. Hiers stated the Pay for Performance Program is part of the total rewards program. The Pay for Performance Program is designed to incent employees to achieve and exceed established goals. The program focuses on five key metrics: Customer Satisfaction, Safety, Cost per unit of electricity delivered (Kwh), Cost per unit of water delivered (Kgal), and Cost per unit of wastewater collected (Kgal). Under the original Board approved Pay for Performance plan design, the payout would be 3.9% of base pay or \$5.4 million. Ms. Hiers provided the Board with alternative options including: Option A which a) modifies the plan design by removing any payout for less than 100% achievement, b) lowers cost targets to prior years actuals, c) reduces targeted pay maximums for the Executive Leadership Team (ELT) and the Senior Leadership Team (SLT), or Option B which preserves all options, including a zero payout. Mr. McElroy presented the plan was approved under the previous Board of Directors. Over the last few months, there has been a lot of discussion in the community regarding JEA’s objectives. Mr. McElroy reviewed the various options being proposed to the Board. On **motion** by Mr. Cumber, and second by Mr. Jones, the Board unanimously approved the modified Pay for Performance Program design and payout.
- b. Fiscal Year 2016 Pay for Performance Program – Angie Hiers, Chief Human Resources Officer provided the Board with an overview of the Fiscal Year 2016 Pay for Performance Program which focuses on customer satisfaction, safety, and costs. Ms. Hiers presented various options to the Board for discussion, consideration, and possible action including: Option A - approve the stated FY2016 Pay for Performance Program incorporating changes from the FY15 plan including: a) removing any payout less than 100% achievement, b) lowering cost targets to prior years’ actual, and c) reducing targeted pay maximums for ELT and SLT; Option B – Approve the FY2016 Pay for Performance Program goals and objectives and defer or suspend the compensation component of the plan; or Option C – Approve an alternative solution. Chair Petway removed the FY2016 Pay for Performance Program from the agenda and requested the Compensation Committee review this agenda item and bring back to the Board for approval at a future date.

5. Managing Director/CEO

- a. FY2015 CEO Performance – Jody Brooks, OGC, presented the Board is contractually obligated to evaluate the CEO and may provide performance compensation of up to 15% of base pay. Ms. Brooks stated prior to the resignation of the prior Board Members, a scorecard had been adopted. This current scorecard provides both objective and subjective metrics. Ms. Brooks distributed an alternate scorecard removing all subjective metrics and applying a weight to each metric. Ms. Brooks stated this alternate scorecard is only an option, not a legal requirement. Board Members held discussions regarding the distributed scorecard. On **motion** by Secretary Kesler, and second by Mr. Jones

the Board unanimously approved a value of 8.18%, based on removing the subjective valuations from the scorecard.

- b. FY2016 Goals – Paul McElroy, Chief Executive Officer, presented a review of the FY2016 Goals. Mr. Cumber provided a **motion** and a second by Mr. Jones. During Board discussions, Mr. Cumber stated that he would like to add a goal regarding Economic Development; Mr. Jones stated this goal should be targeted towards distressed areas. At the conclusion of discussions, Mr. Cumber withdrew his motion. Chair Petway moved to defer this agenda item to the Compensation Committee and bring back to the Board at the January 19, 2016 Board Meeting. Mr. Cumber also added that he would like to add a goal related to JEA City Contribution that does not result in a downgrade of JEA’s credit rating or an increase of rates to customers.
6. Sole Source & Emergency Procurement/Procurement Appeals Board Report - John McCarthy, Director Supply Chain Management, provided a presentation highlighting information for all Sole Source and Emergency Procurement awards for the quarter ending September 30, 2015. Mr. McCarthy provided information regarding two Procurement Appeals Board actions. This presentation was received for information.
7. Bi-Monthly Operations Presentation – Mike Brost, Vice President/General Manager Electrical Systems, Brian Roche, Vice President/General Manager Water/Wastewater Systems, and Monica Whiting, Chief Customer Officer – Mr. Brost reviewed safety metrics, electric systems performance objectives, FY2015 fuel revenue and expense, financial performance, and residential electric bill comparison information. Mr. Roche reviewed water/wastewater performance objectives, environmental compliance, financial performance, and water/wastewater rates in Florida. Ms. Whiting provided an overview of JEA’s approach to customer satisfaction highlighting JEA’s record movement from 4th quartile to 1st quartile nationally for both residential and commercial customer satisfaction as measured by J.D. Power, as well as being the most improved utility in overall customer satisfaction from 2010-2015. Ms. Whiting presented the six key drivers in customer satisfaction and stated JEA continues to improve in each driver year-over-year. This presentation was provided for information.
8. Annual Financial and Operating Review with the Rating Agencies – Melissa Dykes, Chief Financial Officer, presented on December 10-11, 2015, JEA’s Senior Leadership Team, City of Jacksonville representatives, and a representative of the Board will meet with the credit rating agencies in New York City. Ms. Dykes stated the timing of the meeting coincides with the release of JEA’s audited financial statements. The primary focus of the meeting is to update the rating agency analysts on JEA’s financial health, operations, current events, and governance. Ms. Dykes added Public Financial Management (PFM), JEA’s independent financial advisor, prepared an analysis of the value of JEA’s credit rating to the utility. According to PFM’s analysis updated September 2015, a downgrade in JEA’s rating from AA to A would cost customers more than \$90 million over the next 10 years.
- C. **Other New Business** – Jody Brooks, OGC, provided instructions to the Chair for nominating Committee Chairs and Members. Chair Petway deferred this agenda item to a future Board Meeting. Chair Petway informed the Board that a Compensation

Committee will be formed and appointed Secretary Kesler as the Committee Chair. Additional Committee Members include Chair Petway and Ms. Flanagan.

D. Old Business – none

Agenda Item IV – Reports

- A. Managing Director/CEO’s Report – Mr. McElroy offered Board Members a tour of JEA facilities at their convenience. Mr. McElroy stated future Board Meetings are currently scheduled for the third Tuesday of every month beginning at noon. He will be working with Chair Petway to hold a Board workshop on strategy and governance.
- B. Chair’s Report – Chair Petway discussed logistics related to the public comment section of the Board Meeting. Chair Petway stated that he is looking forward to working with the Members that were recently confirmed. Compliments were provided Paul McElroy, management, staff, and JEA customers.

Agenda Item V – Closing Considerations

- A. **Announcements** – none
- B. **Adjournment**

With no further business claiming the attention of the Board, Chair Petway adjourned the meeting at 12:04 PM.

APPROVED BY:

 SECRETARY
 DATE: _____

Board Meeting recorded by:

 Melissa M. Charleroy
 Executive Assistant

Customer Escalation Summary

Reporting Period: October through December 2015

During the first quarter of FY16, 13 customers routed issues through JEA Executive Offices, the JEA Board or through City Administrative Offices. This volume is about half of past trends.

As of this report, two customer issues continue to be worked, with the remainder resolved.

TRENDS

Key trends in this quarter's escalations included past write-off infractions and requests to correct credit scores, concerns with JEA's customer verification process requiring authorization from the customer of record before pulling a meter, extenuating payment extensions and unique financial or billing history requests. All issues have been able to be resolved through standard procedures.

Each escalation is analyzed for root cause analysis and appropriate improvement efforts are put into place, including individual employee coaching, refresher training or process/policy improvements if appropriate. This quarter's escalations did not result in the need of revising existing processes or policies, however, enhanced training and coaching did occur related to each situation.



JEA
Building Community
AGENDA ITEM SUMMARY

December 3, 2015

SUBJECT:	REAL ESTATE ACQUISITION STATUS REPORT
-----------------	--

Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
-----------------	--	--	---

Issue: Provide the JEA Board with an update of Real Estate activities where use of Condemnation Authority has previously been granted. Since there is no new condemnation activity at this time, this report is placed within the consent agenda.

Significance: Timely acquisition of property rights provides for continued service reliability.

Effect: Property owners whose real property is impacted by specific JEA work.

Cost or Benefit: The cost to acquire property rights is a one-time fee supported by certified appraisals with appropriate legal and other fees and expenses.

Recommended Board action: No action required. The Real Estate Acquisition Status Report is for informational purposes only.

For additional information, contact: Hamid Zahir, 665-6068

Submitted by: PEM/MHD/HAZ/DLB



MISSION
Energizing our community through high-value energy and water solutions.

VISION
JEA is a premier service provider, valued asset and vital partner in advancing our community.

VALUES
• Safety
• Service
• Growth
• Accountability
• Integrity

Commitments to Action

- 1 Earn Customer Loyalty
- 2 Deliver Business Excellence
- 3 Develop an Unbeatable Team



INTER-OFFICE MEMORANDUM

December 3, 2015

SUBJECT: REAL ESTATE ACQUISITION STATUS REPORT

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

The JEA Board of Directors periodically grants the use of Condemnation Authority for specific work which is critical to JEA's operations. This authority provides for property rights to be acquired in a timely manner which ensures continued service reliability. Every effort is made to negotiate a settlement before proceeding with this action.

DISCUSSION:

The Real Estate Acquisition Status Report is submitted to the Board quarterly, and is intended to provide the Board with an overview of activities for which Condemnation Authority has been granted.

RECOMMENDATION:

No action is required. The Real Estate Acquisition Status Report is for informational purposes only.

Paul E. McElroy, Managing Director/CEO

PEM/MHD/HAZ/DLB



JEA Operations Report

as of November 30, 2015

Board of Directors Meeting December 15, 2015

III. A. 5.
12/15/2015



JEA Safety

(November 30, 2015)

FY2015

- RIR = 1.56
- # of Recordables = 32
- November YTD Recordables = 6

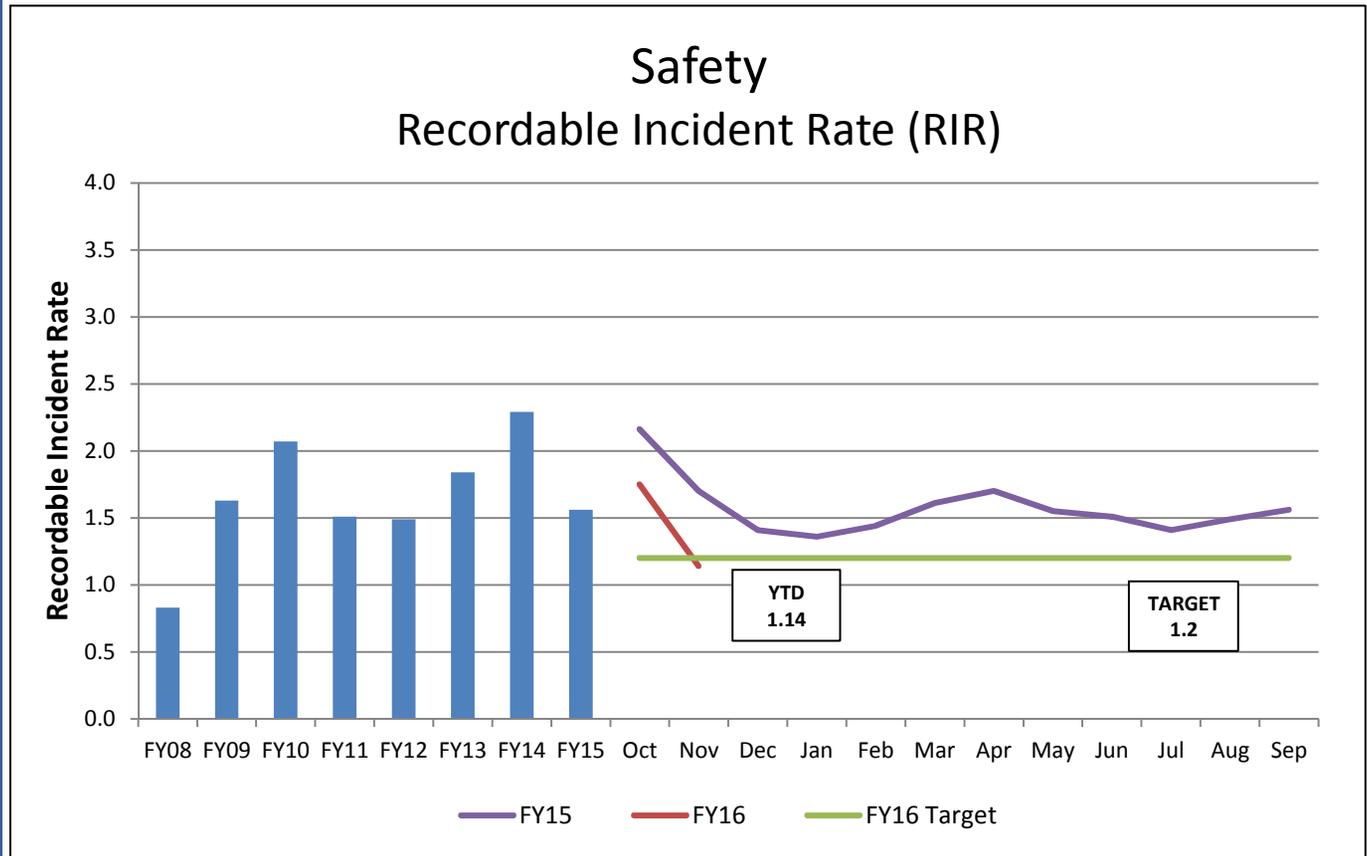
FY2016

- Year to Date Recordables FY16 = 4
- November Recordables = 1
- 1 (was) was lost time
 - Electric Systems = 3
 - Water/WW Systems = 0
 - Customer Service = 0
 - Finance/Shared Services = 1
- Continuing to “Plan for Zero”
- Increased focus on:
 - Complacency
 - Hand/Finger
 - Strains, Sprains, Slip/Trip/Fall
 - 0-5 Year Employees
 - PPE Use

Industry Benchmark*

Average Municipal Utility RIR is 6.3

Units	FY2016 YTD	FY2016 Target	FY2015	FY2014
RIR	1.14	1.20	1.56	2.29

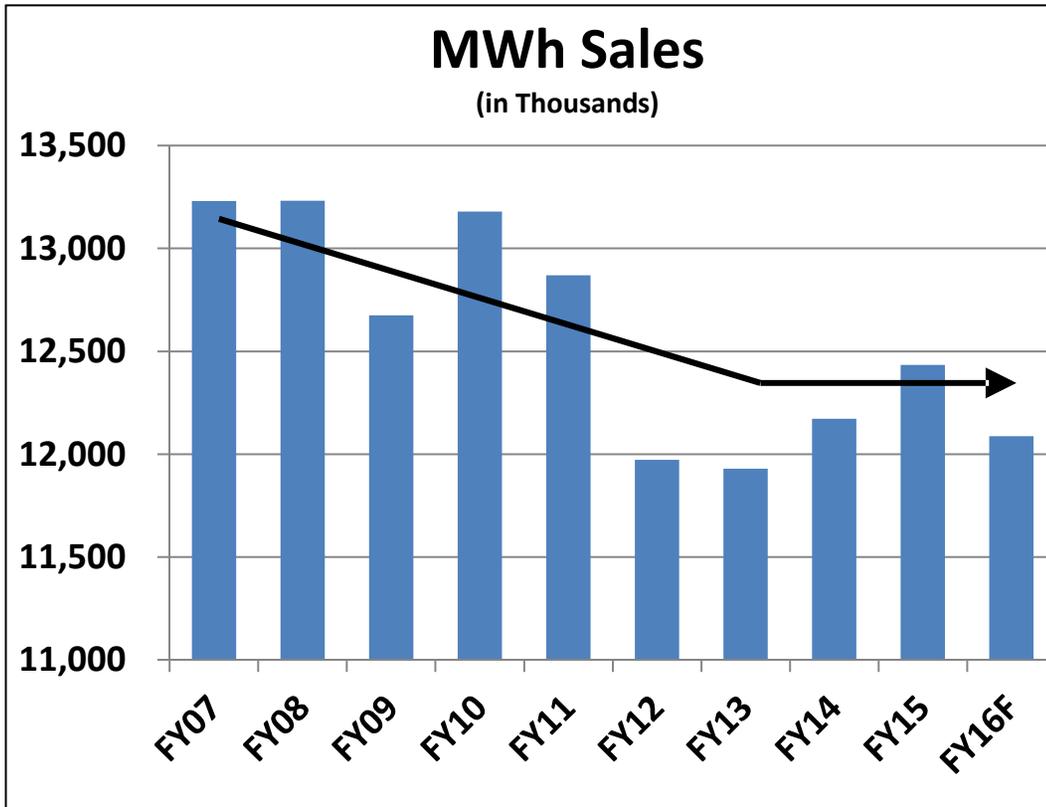


*Provided by Bureau of Statistics



JEA Electric System

MWh Sales



Month	FY15	FY16	% Change
Oct	971,595	952,515	(2.0%)
Nov	895,617	923,705	3.1%
Year-to-Date	1,867,212	1,876,220	0.5%
Dec	943,753		
Jan	1,035,621		
Feb	934,102		
Mar	898,524		
Apr	954,803		
May	1,062,459		
Jun	1,187,741		
Jul	1,254,252		
Aug	1,212,295		
Sep	1,083,446		
Total/Forecast	12,434,208	12,087,679	

Unit Sales Driver: Degree days 14% lower than last year.

YTD Degree Days		
30-yr. Avg.	FY15	FY16
431	484	416

Total System	0.5%
Residential	0.1%
Comm./Industrial	(1.2%)
Interruptible	13.0%
Wholesale (FPU)	3.1%



JEA FY2016 Performance Objectives

Electric System Reliability Metrics

T&D Grid Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Customer Outage Frequency	# of Outages per Year	1.5	1.8	1.7	1.7
Electric Outage Duration	# of Minutes out per Year	80	80	99	71
Transmission Line Faults	# of Faults per 100 miles	2.5	3.0	1.7	2.4
CEMI ₅	% Customers > 5 outages per yr	0.78	1.25	2.1	2.34

Electric Service Reliability

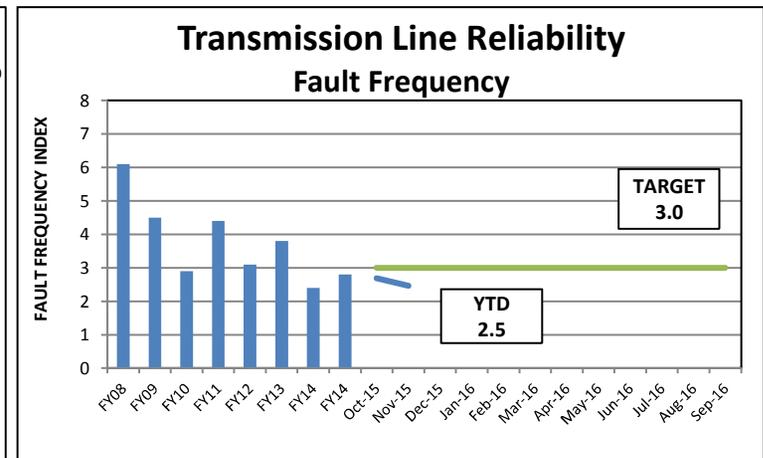
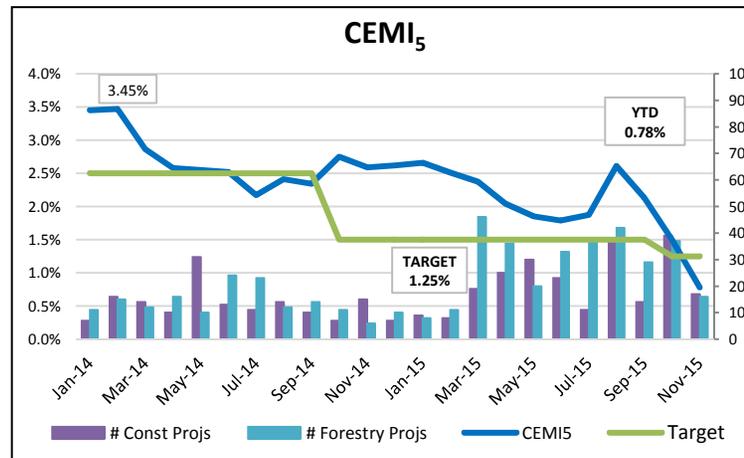
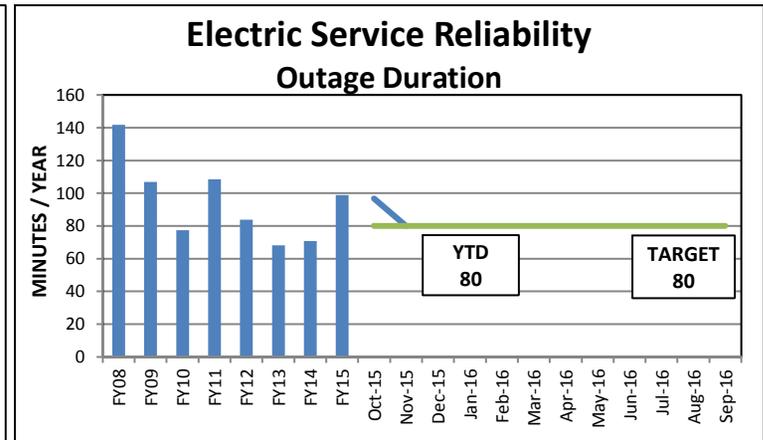
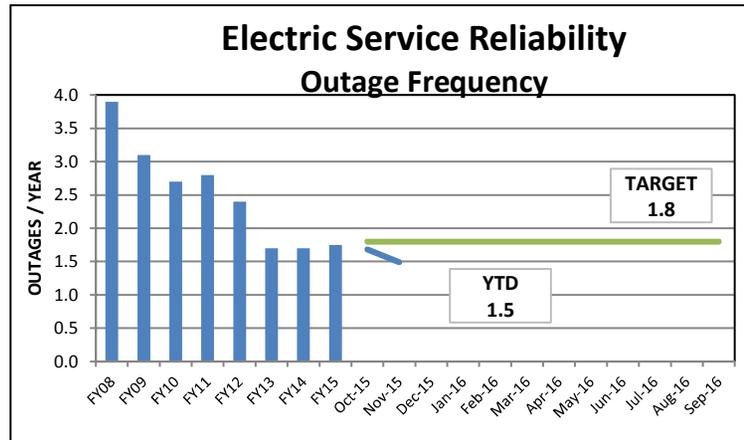
- Outage frequency and duration have been reduced significantly over the last 8 years; running flat this year and near the FY2016 targets.
- The typical JEA customer sees 1.7 outages per year and a total outage duration of 97 minutes
- CEMI₅: 6,124 (1.5%) of our customers have experienced more than 5 outages in the past 12 months

Transmission Line Reliability

- Overall downward trend over the last eight years
- YTD (2.7) running below the FY15 target

Other Operational Metrics

- Continue showing favorable trends over time

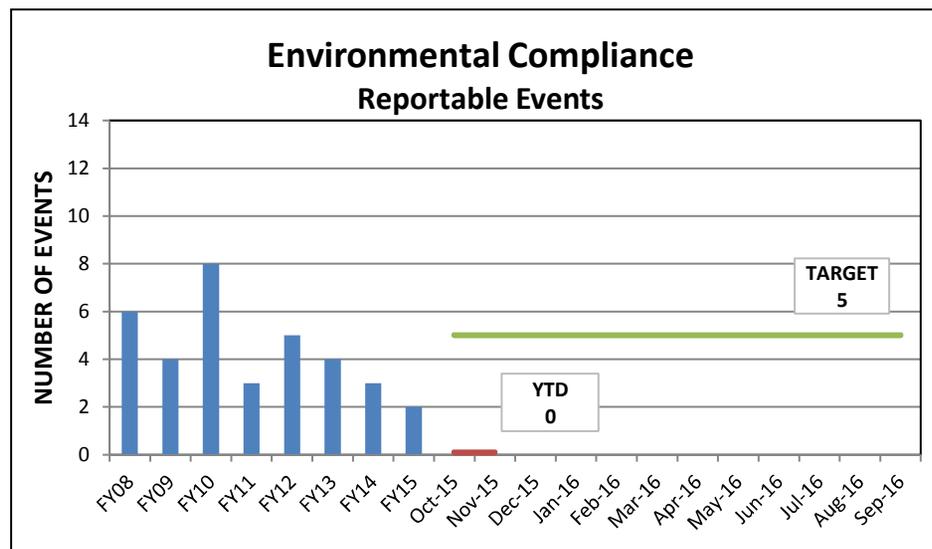
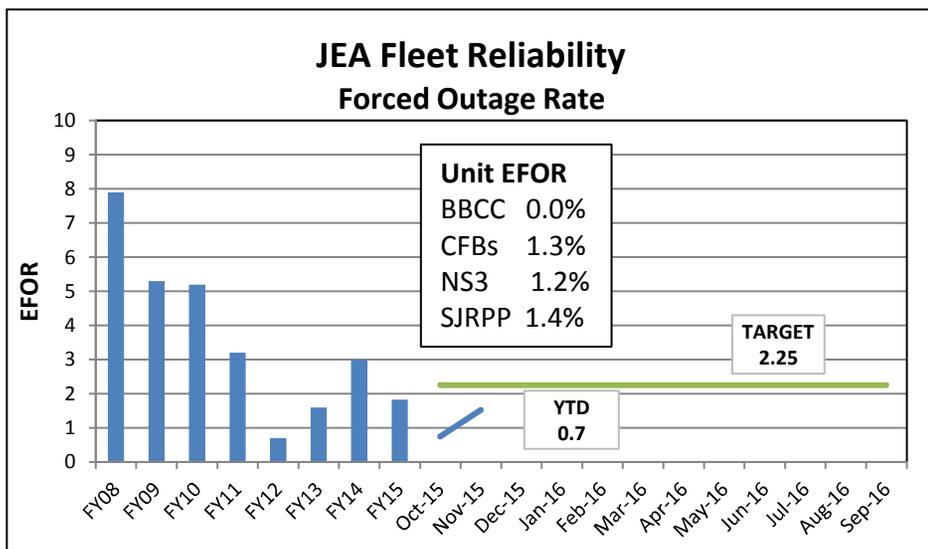




JEA FY2016 Performance Objectives

Electric System Reliability Metrics

Generating Plant Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Generation Fleet Reliability	Forced Outages Rate	0.7	2.25	1.8	3.0
Environmental Compliance	Permit Exceedances	0	5	2	3



- Generating Fleet Reliability**
- The JEA fleet Forced Outage Rate is in line with prior 5-year performance and under FY2016 target of 2.5
 - Planned outage work underway this fall on three Northside Units. Outages planned for Spring on the Brandy Branch and SJRPP Units.
 - High unit reliability contributes to lower fuel and non-fuel expenses
- Environmental Compliance**
- Excellent environmental performance in prior years, with no air permit violations
 - No reportable events FY2016.
 - JEA is actively engage in and preparing for all new and emerging environmental regulations.



JEA Electric System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16 vs FY15 (\$)	Variance (%)
Fuel Revenue	\$ 463,803 ¹	\$ 486,362 ²	\$ 485,631	\$ (22,559)	-4.6%
Base Revenue	716,928	741,411	711,502	(24,483)	-3.3%
Other Revenue	49,048	38,183	51,716	10,865	28.5%
Total Revenues	\$ 1,229,779	\$ 1,265,956	\$ 1,248,849	\$ (36,177)	-2.9%
		\$ (19M)			
Select Expenses					
Fuel Expense	\$ 398,179	\$ 441,076	\$ 460,315	\$ 42,897	9.7%
Fuel Fund Transfers	65,625	45,286	25,255	(20,339)	
O & M Expense	213,672	191,764	222,827	(21,908)	-11.4%
Non-fuel Purchased Power	108,329	114,804	113,015	6,475	5.6%
Net Revenues	\$ 432,067	\$ 461,604	\$ 405,311	\$ (29,537)	-6.4%
		\$ 27M			
Capital Expenditures	\$ 152,502	\$ 116,728	\$ 153,200 ³	\$ (35,774)	-30.6%
Debt Service	\$ 185,823	\$ 175,779	\$ 185,614	\$ (10,044)	-5.7%

Financial Metrics	FY16 Forecast
Coverage:	2.3x
Days Cash/Liquidity:	214 / 331
Debt/Asset:	66% (2% lower)
Total Debt:	\$3.0B (\$150M lower)

Electric Costs / MWh	Non-Fuel
Target	\$ 49.44
Actual	<u>54.46</u>
Difference	\$ (5.02)

Fuel Fund	(\$ in millions)
Beginning Balance	\$ 151
Surplus/(Deficit)	122
Fuel Credit	<u>(57)</u>
Ending Balance	\$ 216

¹ Net of \$57 million fuel credit in October bill

² Net of \$50 million fuel credit in FY15

³ Council approved limit for capital expenditures in FY15 is \$170 million



JEA Electric 5-Year Capital Projection

Asset Category cost in (1000s)	FY16	FY17	FY18	FY19	FY20
Transmission & Substation Projects	\$31,245	\$30,917	\$36,430	\$40,186	\$35,830
Transmission & Substation R&R	24,083	23,105	23,405	23,805	22,305
Generation Plant R&R	22,406	19,093	20,791	21,496	15,568
Distribution Line Projects	20,563	11,441	11,931	5,747	4,507
New Developments	5,000	5,000	5,000	5,000	5,000
Interagency Projects	4,337	2,000	2,000	2,000	2,000
Subtotal:	\$107,634	\$91,556	\$99,557	\$98,234	\$85,210
Other (Fleet, Facilities, Meters, IT, ...)	45,479	70,803	43,357	37,213	37,179
Total:	\$153,113	\$162,359	\$142,914	\$135,447	\$122,389

Forecast: \$159,862





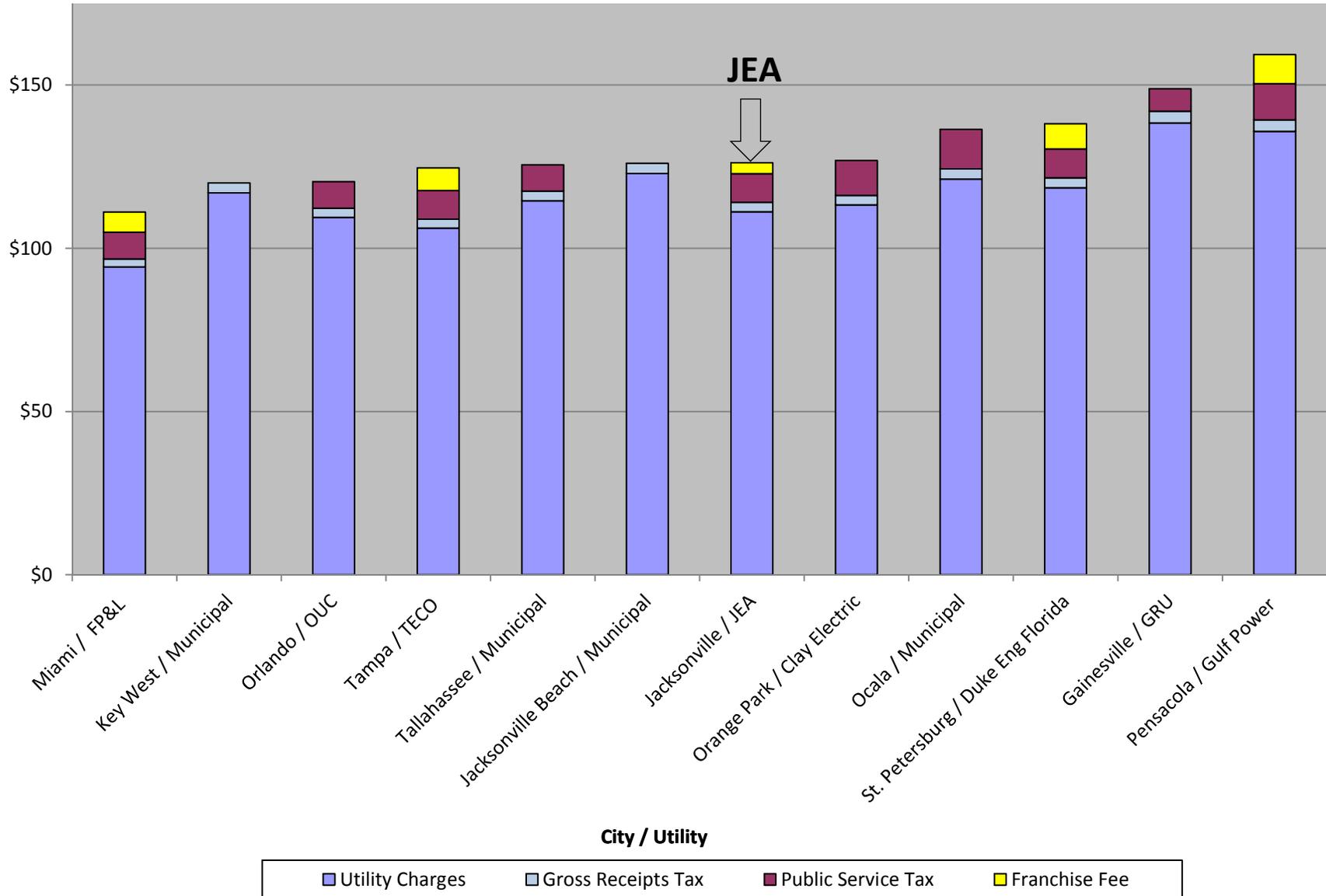
Planned New Substation Projects

Project Name	In Service Date	Total Cost
Cecil Commerce Center North Substation	November 2015	\$12,072,000
JAXPORT Substation	May 2016	\$3,113,000
Brandy Branch T1 Addition	May 2016	\$6,452,000
Point Meadows Substation	May 2017	\$12,200,000
Dinsmore Substation	November 2018	\$10,750,000
Nocatee Substation	November 2019	\$10,750,000

- JEA typically builds 1 to 2 new substations each year, at approximately \$10M each.
- Additions support load growth and continued reliable performance of the electric transmission and distribution systems.
- Cecil Commerce North will bring improved reliability to existing customers in the commercial development, and support growth for new customers.
- The JAXPORT project is being done in partnership with JPA and supports their planned electric crane upgrade at the Blount Island Terminal.

Florida Utilities Monthly Residential Electric Bill Comparison

(Consumption @ 1,000 kWh)
Residential Rates as of December 2015

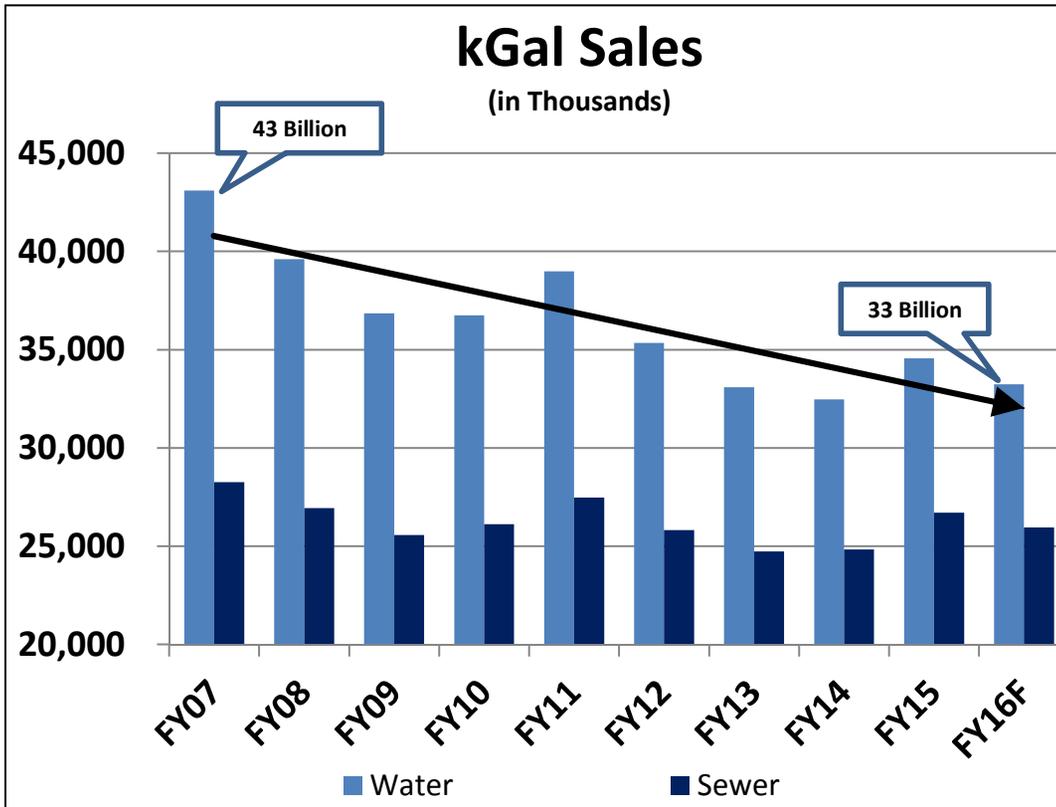




JEA Water and Sewer System

kGal Sales

(in Thousands)



Month	FY15	FY16	% Change
Oct	3,051	3,121	2.3%
Nov	2,597	2,641	1.7%
Year-to-Date	5,648	5,762	2.0%
Dec	2,708		
Jan	2,502		
Feb	2,238		
Mar	2,732		
Apr	2,765		
May	3,509		
Jun	3,382		
Jul	3,300		
Aug	3,062		
Sep	2,712		
Total/Forecast	34,558	33,322	

Unit Sales Driver: Rainfall down 2 inches; rain days up 2.

YTD Rain			
	30-Yr. Avg.	FY16	FY15
Inches	6	6	4
Days	15	9	11

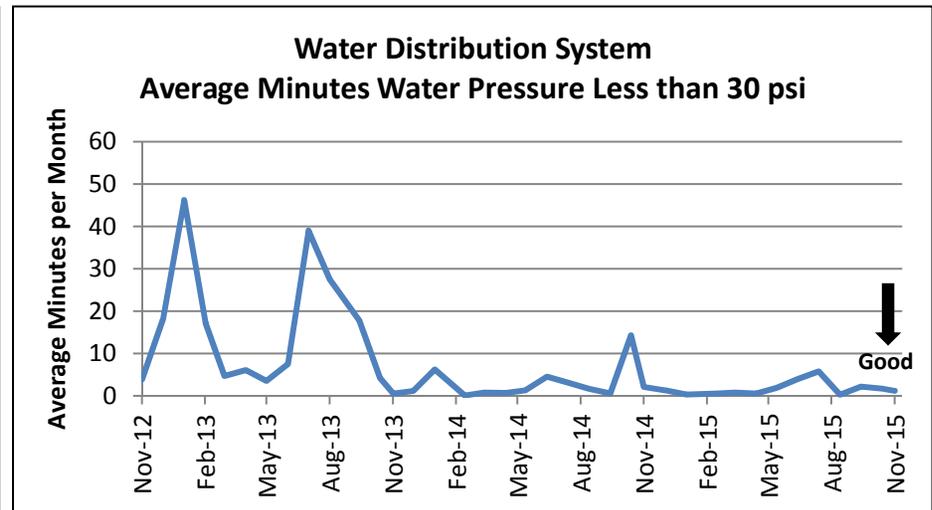
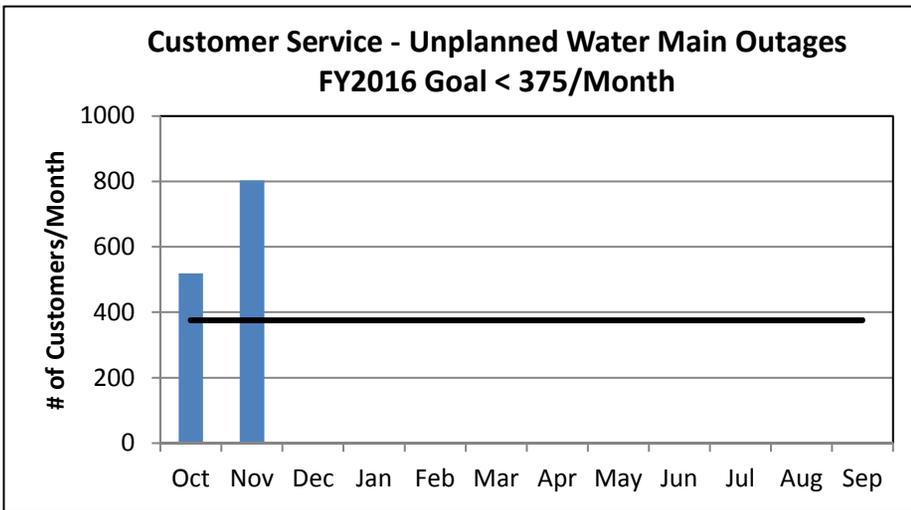
Total System	2.0%
Residential	1.8%
Comm./Industrial	4.7%
Irrigation	(3.6%)



Customer Reliability Objectives

Water and Wastewater System

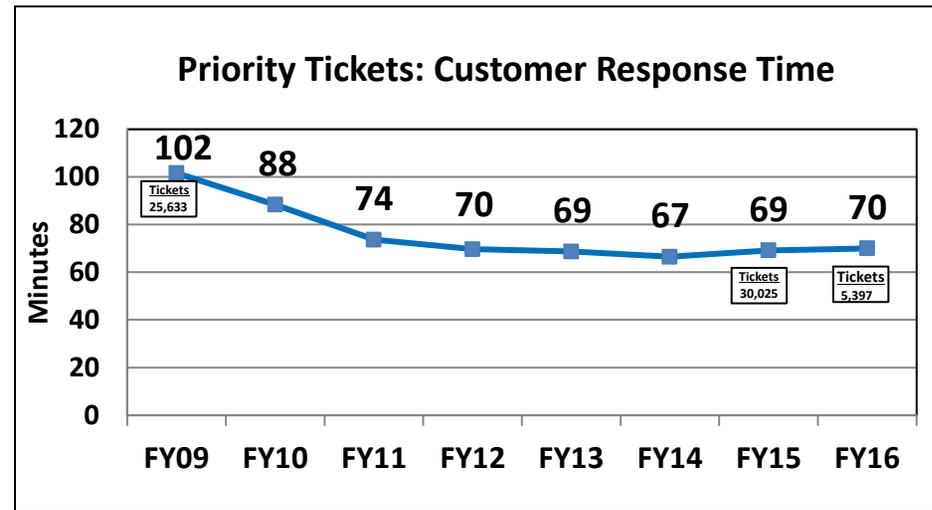
Water Grid Performance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Water Main Outages	# of Customers per Year	1,322	4,500	5,659	4,645



Unplanned Water Outages
of Customers Affected by Unplanned Outages has increased due to rainfall and ground saturation

Water Pressure (minutes per month < 30 psi)
Measured by 110 pressure monitoring stations in the distribution system. Pressure must be greater than 20 psi, and is expected to be greater than 50 psi.

Customer Response Time
Average time from a customer call to the ticket completion or transfer to a field crew for a more extensive repair



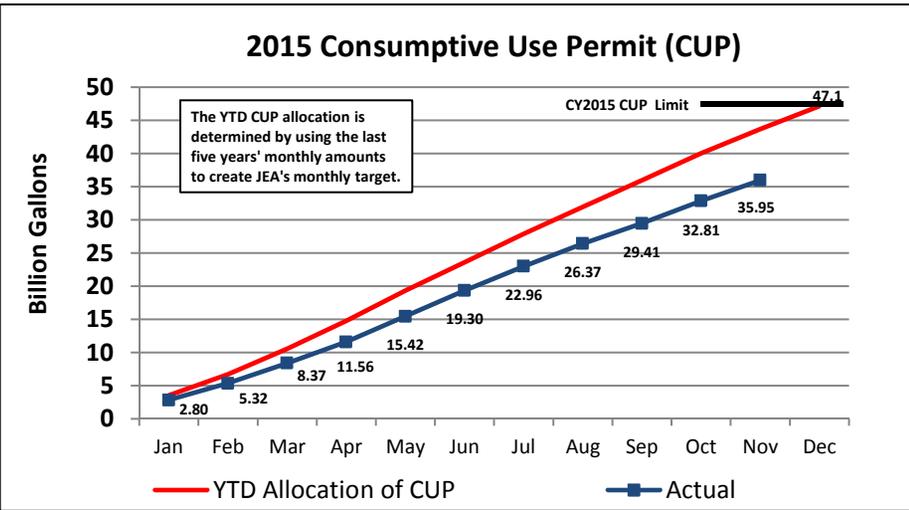
Note: Priority Tickets are defined as an interruption of water or sewer service



Environmental Compliance

Water System – Consumptive Use Permit (CUP)

Compliance	Metric – CY Basis	2016 YTD	2016 Target	2015	2014
Water	CUP Limits (MGD)	CY basis results starting in Jan 2016	131 limit	108 (129 limit)	104 (127 limit)
South Grid	Wellfield Allocation (MGD)		< 50.23 limit	47.61 (<50.23 limit)	51.37 (<61.23 limit)
Reclaim	Usage (MGD)		15	24.56	12



CUP Condition 44: South Grid Wellfield Allocation Limits

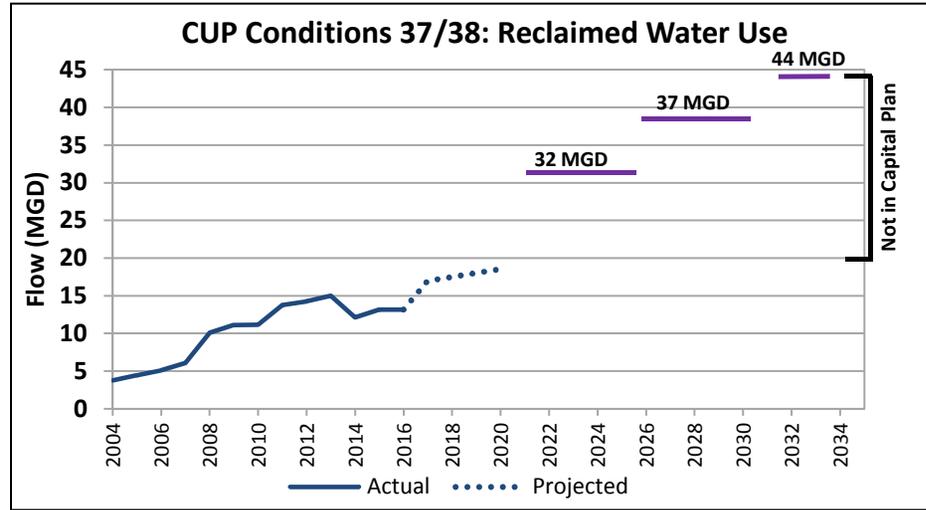
Critical Wellfields	2013	2014	2015	YTD Actual 2015
Deerwood III	10.25	9.17	7.00	6.96
Ridenour	11.00	9.62	6.85	6.93
Oakridge	9.15	7.98	5.65	4.79
Greenland	NA	1.51	4.53	4.42
Brierwood	7.65	6.11	3.02	2.55
Subtotal	38.05	34.39	27.05	25.65
Other (12 Well Fields)	28.68	26.84	23.18	21.96
Total South Grid	66.73	61.23	50.23	47.61
Total System	126	127	129	108

St. Johns River Water Management District CUP

Condition 12: YTD average daily flow is 16% below CY limit of 129 MGD

Condition 44: South Grid Wellfields have annual operational flexibility of 20% above the allocation limits

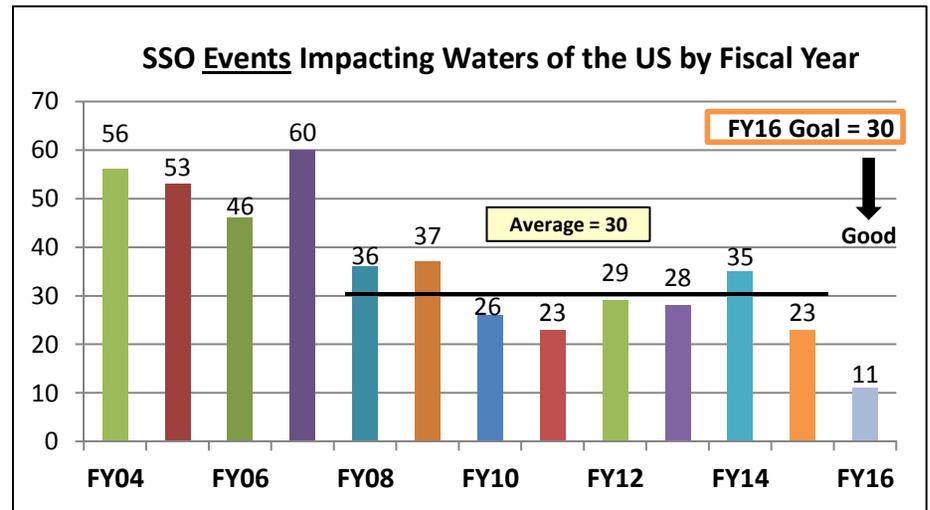
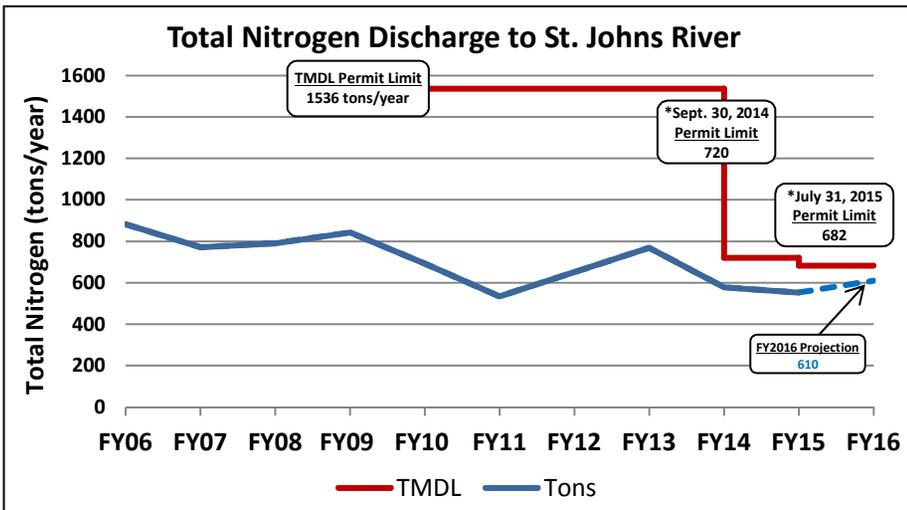
Conditions 37/38: Use of reclaimed water “to the maximum extent technologically, economically, and environmentally feasible”. The annual CUP limit continues to increase beginning in FY21 if the 32 MGD threshold is achieved.





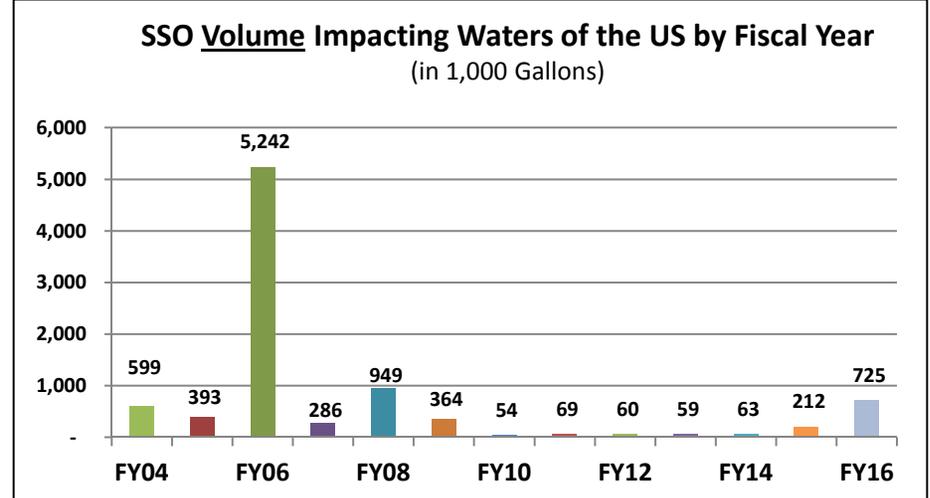
Environmental Compliance Wastewater System

Compliance	Metric	FY2016 YTD	FY2016 Target	FY2015	FY2014
Sewer	Nitrogen (N) Tons – FY basis	100	600	553 (TMDL of 682*)	577 (TMDL of 720*)



Nitrogen Discharge to St. Johns River
 Florida Department of Environmental Protection (FDEP) has reduced the Total Maximum Daily Load (TMDL) to 682 tons with Water Quality Trading Credits allocated to the COJ

Sanitary Sewer Overflows (SSOs)
 FY15 SSO achievement of 23 events matches the lowest annual total. A single event in October 2015 has elevated the SSO volume for FY16.





JEA Water and Sewer System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16F vs FY15 (\$)	Variance (%)
Water & Sewer Revenues	\$ 385,386	\$ 393,167	\$ 383,162	\$ (7,781)	-2.0%
Other Revenue	34,674	43,750	34,529	(9,076)	-20.7%
Total Revenues	\$ 420,060 ①	\$ 436,917	\$ 417,691	\$ (16,857)	-3.9%
		\$2M			
Select Expenses					
O & M Expense	\$ 134,466	\$ 127,174	\$ 138,368	\$ (7,292)	-5.7%
Net Revenues	\$ 260,431	\$ 278,471	\$ 275,985	\$ (18,040)	-6.4%
		\$(16M)			
Capital Expenditures	\$ 172,377 ④	\$ 100,806	\$ 175,000	\$ (71,571)	-71.0%
Debt Service	\$ 100,987	\$ 101,108	\$ 105,370	\$ (121)	-0.1%

Depreciation
\$132 million

Metrics	FY16 Forecast
Coverage:	2.6x
Days Cash/Liquidity:	156 / 273
Debt/Asset:	53% (2% lower)
Total Debt:	\$1.6B (\$36M lower)

Cost / KGal	Water	Sewer
Target	\$ 3.98	\$ 7.26
Forecast	<u>4.91</u>	<u>8.32</u>
Difference	\$ (0.93)	\$ (1.06)

2015/2016 RATING AGENCY PRESENTATION

SEWER CAPEX HIGHLIGHTS

WWTF District	FY 16	FY17	FY18	Total
Southwest	\$4	\$14	\$2	\$20
Buckman	13	3	2	18
District II	6	14	1	21
Arlington East	5	16	5	26
Greenland	0	8	0	8
Blacks Ford	13	42	5	60
	\$41	\$97	\$15	\$153
Total W/WW SYSTEM CAPEX				
(\$ in millions)	\$172M	\$205M	\$156M	\$537M

Major Projects

Southwest: Lane Avenue to Timuquana Rd 24"-36" force main replacement, and Alachua pump station rehabilitation

Buckman: Southshore River Crossing 36" force main replacement, and McMillian pump station rehabilitation

District II: Key Haven and Harts Rd pump stations rehabilitation, and force main replacements

Arlington East: Additional WWTF Clarifiers for capacity (19 to 23 MGD) and process improvements, Bradley Rd pump station upgrade, and force main replacements

Greenland: Land Purchase for planned FY25 WWTF

Blacks Ford: WWTF expansion from 2.5 to 6.0 MGD



Note: WWTF = Wastewater Treatment Facility

JEA Water/Wastewater Five-Year CAPEX Projection

Asset Category (Costs in \$1000's)	FY16	FY17	FY18	FY19	FY20
Wastewater Treatment Projects	\$39,306	\$88,087	\$43,166	\$30,850	\$24,286
Water Treatment Projects	29,264	26,574	17,362	14,165	13,115
Delivery & Collection Piping Projects	28,822	33,078	17,976	28,011	22,975
Interagency Piping Projects	13,508	5,830	5,239	4,603	4,504
Plants/Pump Stations R&R	12,704	12,491	12,530	12,384	11,040
Delivery & Collection Piping R&R	11,864	14,750	29,381	32,300	32,300
Development	5,926	4,876	1,800	1,500	750
System Control Upgrades	406	325	150	150	150
Subtotal	\$141,802	\$186,010	\$127,604	\$123,963	\$109,120
Other (Fleet, Facilities, Meters, IT, etc.)	32,080	29,451	27,045	29,822	28,451
as of 11/6/15 Total	\$173,882	\$215,461	\$154,649	\$153,785	\$137,571

as of 11/30/15

Forecast:	\$172,000	\$205,000
------------------	------------------	------------------

→ **Arlington East WWTF – Influent Pipe (20 MGD)**

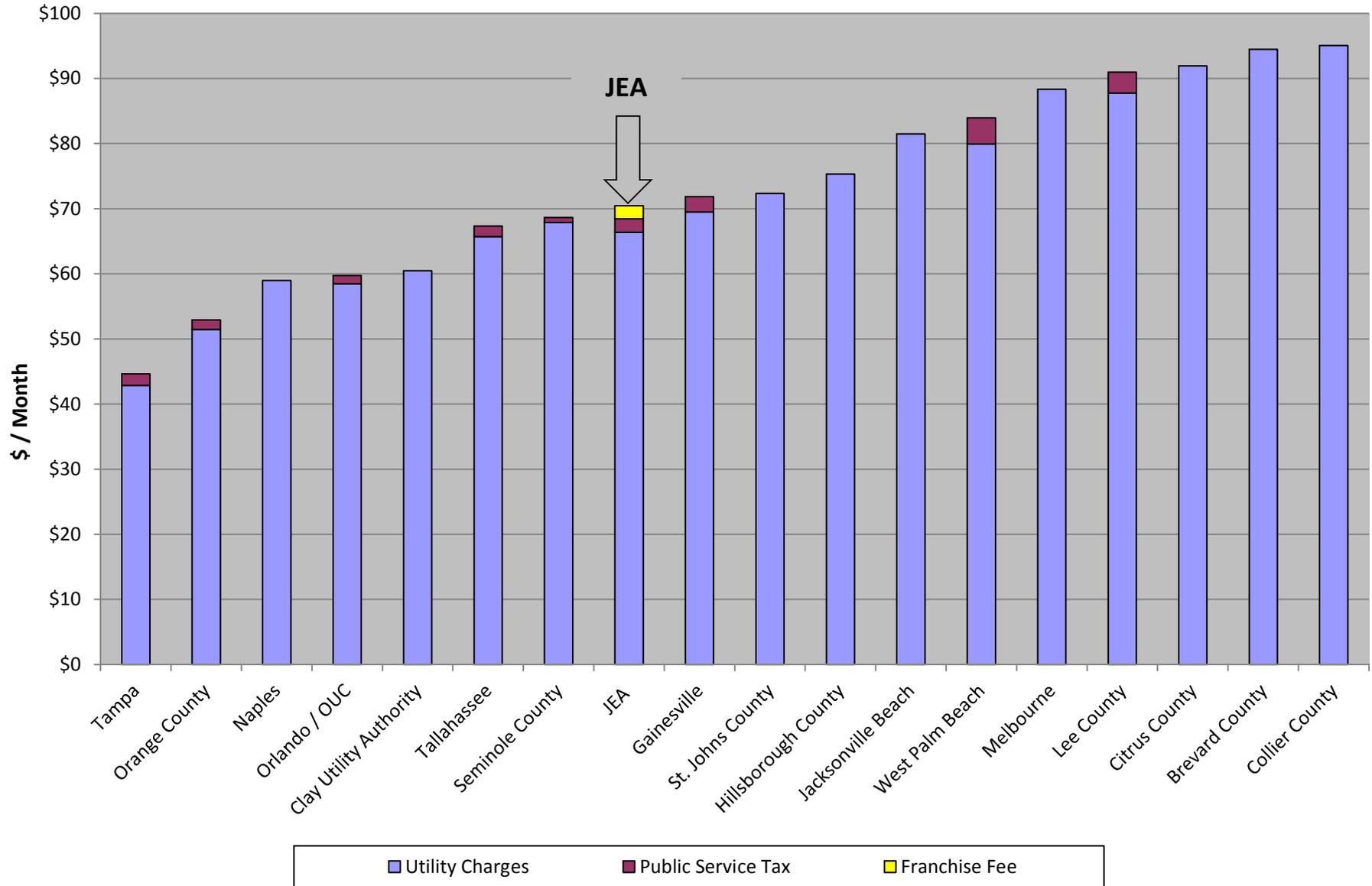


Five-Year Project List:

<http://jea.com/Engineering and Construction>

Water & Sewer Rates in Florida

Residential Service with a 5/8" meter and 6 kgals of Consumption
Residential Rates as of December 2015



Customer Experience

Presenter: Monica Whiting

Date: December 2015

FY16 Customer Satisfaction Goal

Achieve 1st Quartile Ranking for JD Power Customer Satisfaction Index for both Residential and Business Studies

Residential (R)

FY14		FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
3Q	647	1Q	692	2Q	698							2Q	698

Business (B)

FY14		FY15		Wave 1		Wave 2		FY16 YTD	
1Q	682	1Q	705	1Q	740			1Q	740

Residential



Business



2016 Residential # of companies ranked: 137

2016 Business # of companies ranked: 87

1Q= 1st quartile 2Q= 2nd quartile 3Q = 3rd quartile 4Q = 4th quartile

Achieve 1st Quartile Ranking on All Drivers

Be Easy to Do Business With

Customer Service

	FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	1Q	775	1Q	777							1Q	777
B	1Q	754	1Q	768							1Q	768

Power Quality & Reliability

	FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	2Q	736	2Q	744							2Q	744
B	2Q	736	1Q	783							1Q	783

Empower Customers to Make Informed Decisions

Billing & Payment

	FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	1Q	755	2Q	753							2Q	753
B	1Q	756	1Q	775							1Q	775

Communication

	FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	1Q	653	2Q	660							2Q	660
B	1Q	648	1Q	705							1Q	705

Price

	FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	2Q	615	2Q	619							2Q	619
B	1Q	650	1Q	682							1Q	682

Demonstrate Community Responsibility

Corporate Citizenship

	FY15		Wave 1		Wave 2		Wave 3		Wave 4		FY16 YTD	
R	2Q	634	2Q	655							2Q	655
B	1Q	673	1Q	699							1Q	699

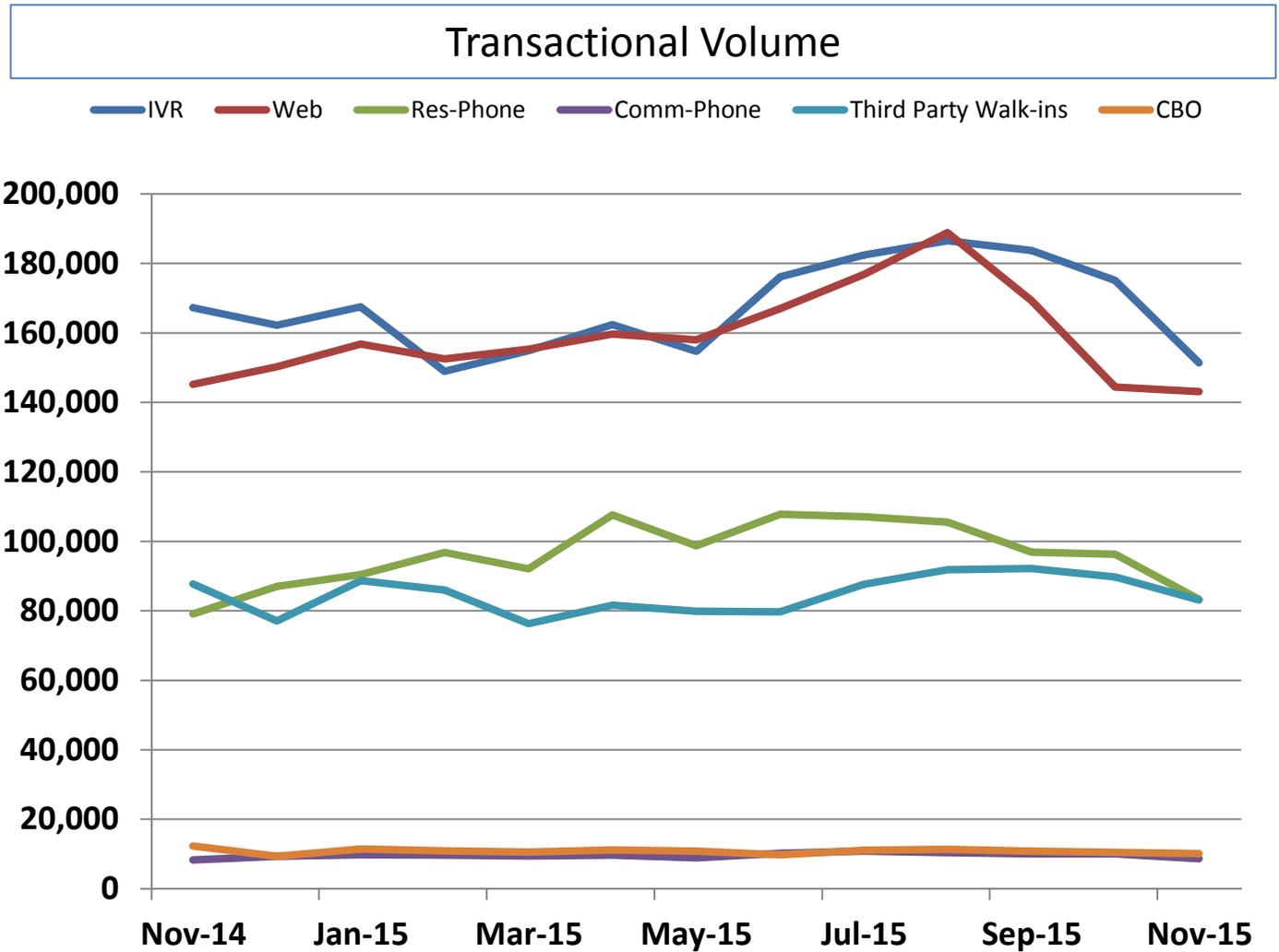
Easy to do Business With

Customer Service

Providing multiple contact channels allows the customer to interact with JEA in a way that's easiest for them.

Customer Satisfaction
Rating: 8s-10s by Channel - JDP

	FY15	FY16	Ind.
Phone	60.8%	63.1%	58.7%
IVR	68.5%	75.2%	58.7%
Web	74.0%	63.2%	61.7%



Easy to do Business With

Customer Service

Accurately addressing a customer's needs the first time produces a positive customer experience

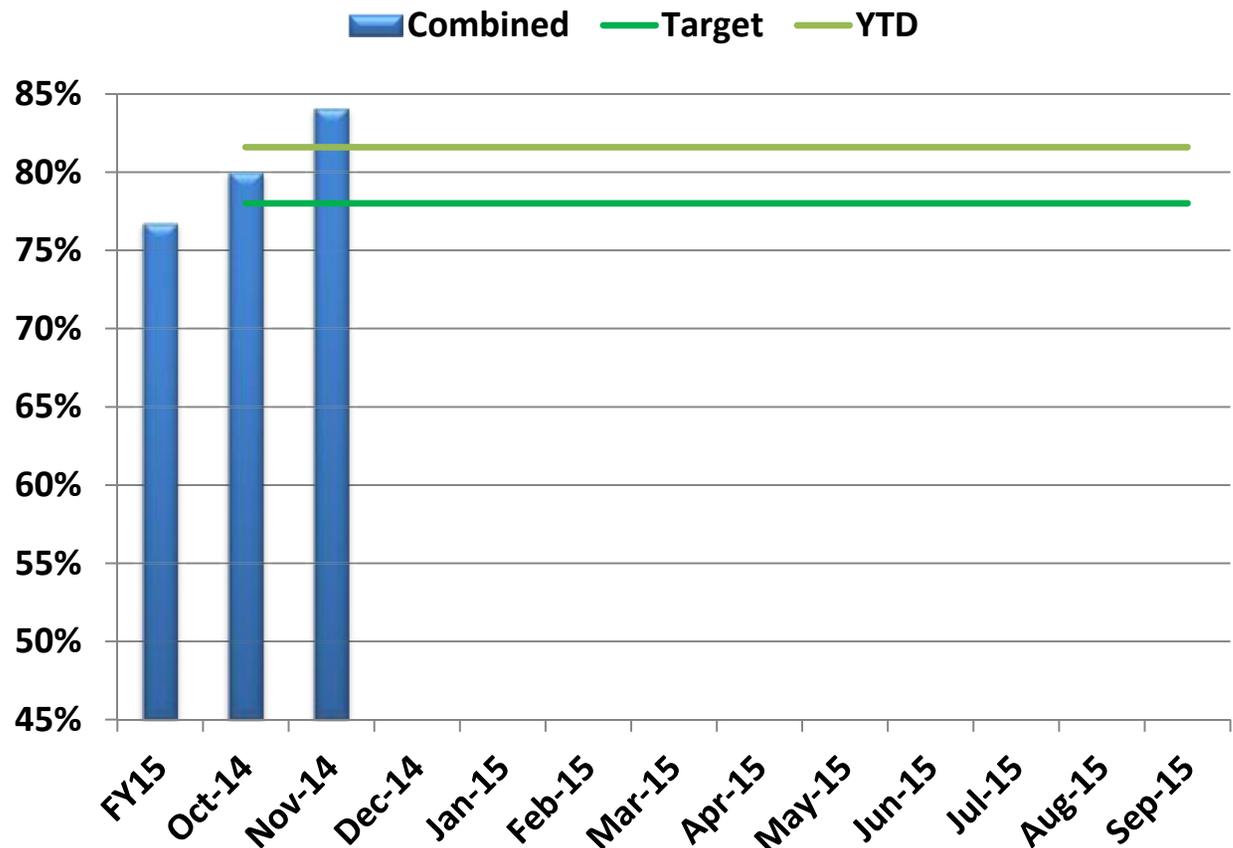
FY2016 YTD

Residential CC	76.7%
Branches	87.0%
Commercial CC	73.3%
<u>jea.com</u>	<u>76.6%</u>
Overall	81.6%

JD Power FCR

	FY15	FY16	Ind.
Res CC	74.3%	67.8%	71.9%
Jea.com	80.2%	74.2%	73.6%
Bus CC	73.8%	69.2%	67.0%

First Contact Resolution
Branches, Call Centers, and jea.com



Easy to do Business With

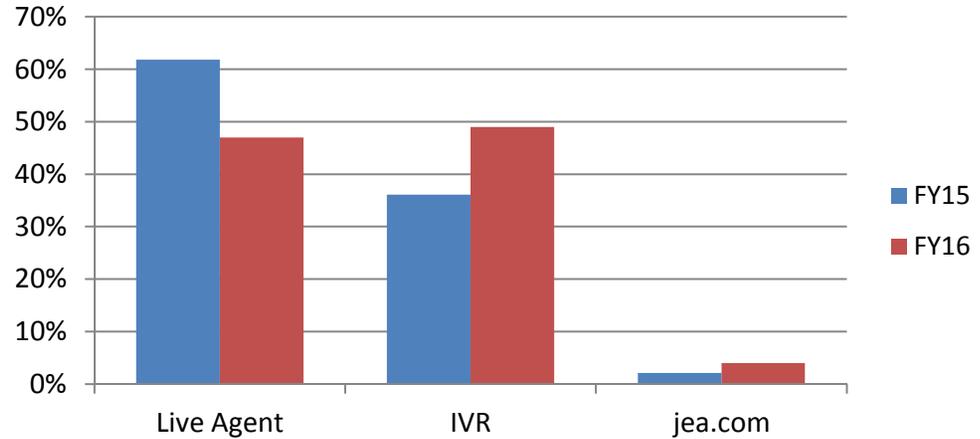
Power Quality & Reliability

Customers are more satisfied when receiving additional information when reporting an outage and when given updates when power is restored.

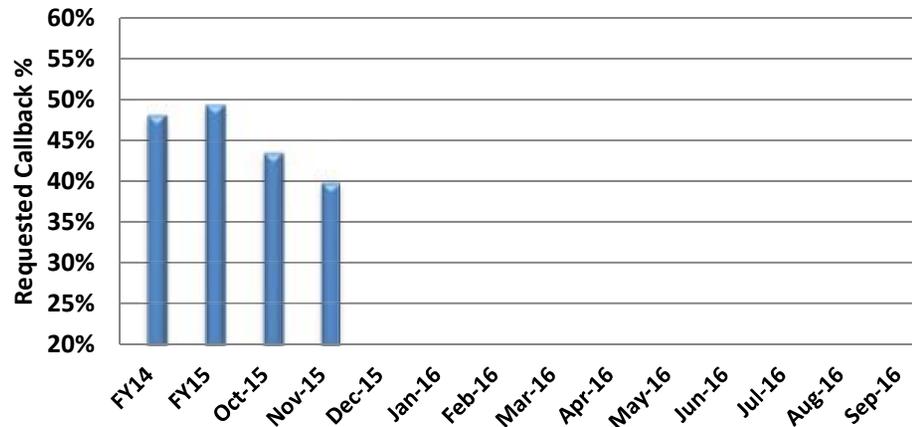
JD Power
"Keeping you informed about outage"

Score	FY15	FY16	Ind.
8 – 10	36.1%	36.2%	31.2%
< 5	24.1%	21.1%	19.3%

Outage Reporting by Channel
Growth from FY15 to FY16



Customers Requesting Updates After Outage

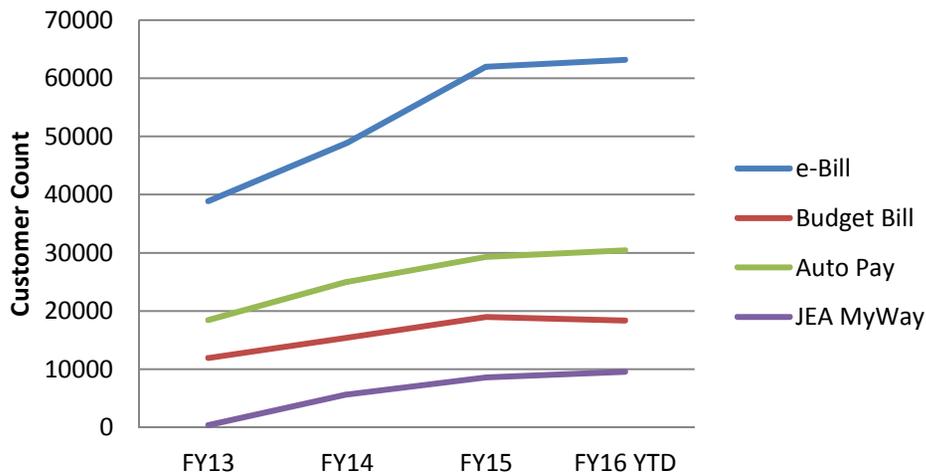


Empowering Customers to Make Informed Decisions

Billing & Payment: Customer Solutions

Customer Solution Participation	FY15	FY16 YTD
e-Billing Participation	61,981	63,130
Budget Bill Participation	18,986	18,378
Auto Pay Participation	29,272	30,426
JEA MyWay Participation	8,577	9,531

B&P Program Participation



	FY16YTD	Industry Benchmark*
e-Bill	15.8%	18.5%
Budget Bill	4.6%	9.0%
Auto Pay	7.6%	13.0%
*2015 IOU Benchmark Average		



Empowering Customers to Make Informed Decisions

Communication

Communicating with customers is a key driver of satisfaction and impacts all drivers.

JDP Frequency of Comm Received FY16 YTD

Not enough	13%
Just right	82%
Too much	5%

JDP Comm Awareness Residential

FY13	48.8%
FY14	51.9%
FY15	54.6%
FY16 YTD	52.0%

Commercial

FY13	53.4%
FY14	55.7%
FY15	70.4%
FY16 YTD	54.8%



NEWS FROM JEA

Follow us on Twitter @NewsFromJEA

Like us on Facebook Facebook.com/NewsFromJEA

JEA's Neighbor to Neighbor Fund

ELECTRIC RELIABILITY

165 spent \$712,800 subsidizing the installation of high-voltage transmission lines in the International Parkway in fiscal year 2015. This infrastructure reliability project should be completed by the end of next year that increases reliability for users.

COMMUNITY INVESTMENT

25 employees organized a golf tournament at St. John's Golf and Country Club to raise money for United Way of Northern Florida. Learn more about our employee fundraising and giving efforts at jea.com/charitycommunity.aspx.

ELECTRIC SAFETY

EnergyStar qualified light strings are used in the front when in use this reducing fire risk. For more electric safety tips visit jea.com/electricsafety.

Protecting The Environment

Save the gas behind. Since July 2012 with a new electric vehicle JEA provides incentives to residential electric customers for purchase or lease of a new plug-in electric vehicle. Learn more at jea.com/electricvehicles.

Energy & Water Efficiency

12 Days of Energy Savings for the Holidays

1. Display holiday lights during the day.
2. Set holiday lights on a timer.
3. Reduce the holiday light display watt.
4. Use LEDs for your holiday light display.
5. Make your stockpot your best friend during the holidays.
6. Cover pots/pan on stove when not in use to save the heat energy in the pot/pan.
7. Set holiday lights on a timer.
8. Install a motion sensor light in your kitchen pantry.
9. Give plants that don't require a lot of water.
10. Use energy. Make hot chocolate in your microwave instead of on your stove/boiler.
11. Reuse water. Make a great gift. Buy through your local extension office and use.
12. Wash only full loads in your dishwasher.
13. Learn more energy saving tips at jea.com/energyefficiency.

Communication Channels
FY16
Volume: 41,485,471

- **e-Com** (jea.com, email, social) 6,125,560
- **Paid Media** (Radio, TV, Print) 32,691,742
- **Community Engagement** (Events, Workshops) 120,814
- **Other Communication** (Bill Inserts, Brochures, 2,165,355)



Demonstrating Community Responsibility

Corporate Citizenship

Giving back to our community through volunteering is foundational as a community-owned utility

**FY16 YTD
Volunteers—84**

November— 44 Volunteers

- Hart Felt Ministries
- Feeding NE Florida Food Bank
- Salvation Army

December—Vol. Giving and Events

- Salvation Army Toy Distribution – December 8, 9, 10, 15, 16, 17 and 21
- Feeding NE Florida Food Bank – December 11
- Annual Holiday Toy Drive – November 25 – December 9
- Annual Adopt a Family project – November 25 – December 9

JEA Employee Volunteer Participation



**Larry Stephens,
Electrical Technician,
St. Johns River Power Park**

JEA Ambassadors are engaging customers throughout our community in a greatly expanded way.

FY16 Activities:

- Speakers Bureau—10
- Facility Tours—4
- Community Events—23
- Educational Partnership Activities—5



JEA Employee Ambassadors and their families showed support for veterans by participating in the 2015 Veterans Day Parade, having a huge presence with JEA's electric vehicle and a bucket truck.

JEA Ambassadors gave a presentation to a group at the COJ Independent Living seminar.



JEA Ambassador Program



JEA Ambassadors at the Main St Lab played host to some FSCJ engineering students, giving them a tour of the lab and the important work that is performed



Demonstrating Community Responsibility

Corporate Citizenship: Economic Development

JEA is a committed and supportive partner in the collaborative approach to economic development for the city of Jacksonville.

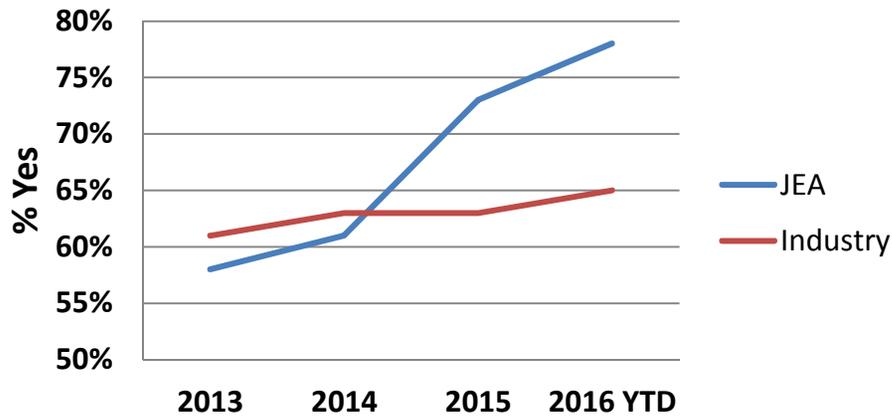
JD Power

“Believe utility supports economic development of local community”

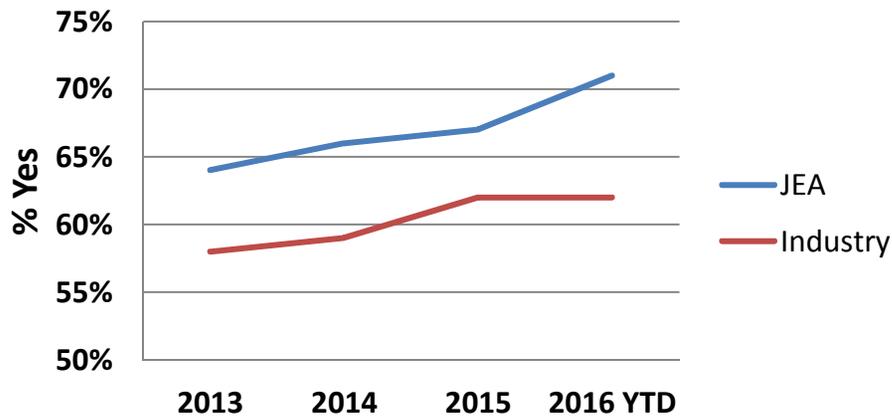
Cust Sat Scores

Score	Business	Res
Yes	748	751
No	586	572

Utility Supports Economic Development Business



Utility Supports Economic Development Residential



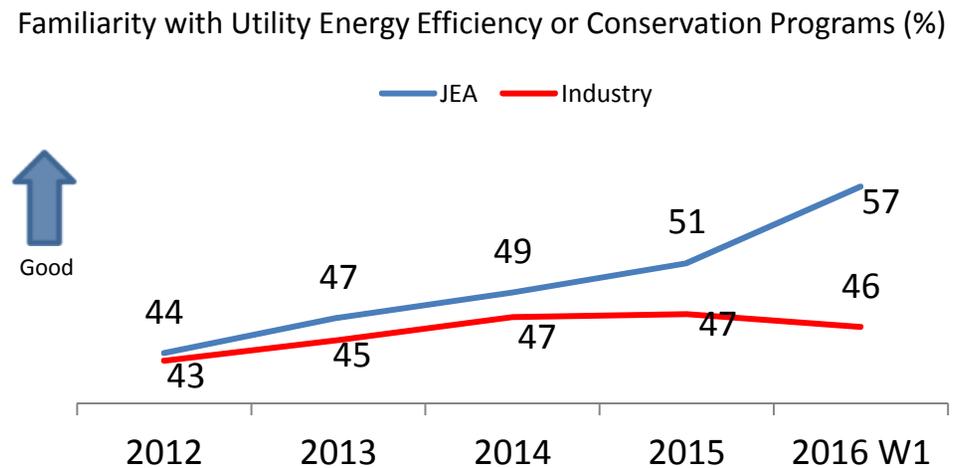
Demonstrating Community Responsibility

Corporate Citizenship: Environmental

DSM Programs & Participation	FY15	FY16 YTD
Efficiency Assessment	24,348	3,092
Tracker Participation (Entering Site)	104,675	18,467
Invest Smart	322	17
Shop Smart	91,392	18,030
Neighborhood Energy Efficiency	1,199	196
Electric Vehicle Rebates	47	6
Charging Stations Installed	0	1

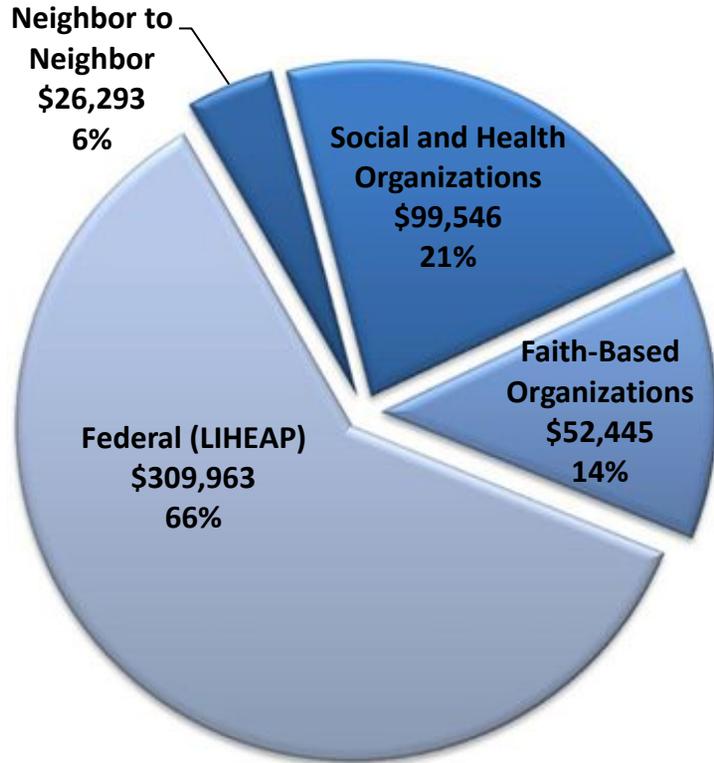
27 New Electric Vehicle Host Sites:

- Installation started in October
- To be completed by Year End



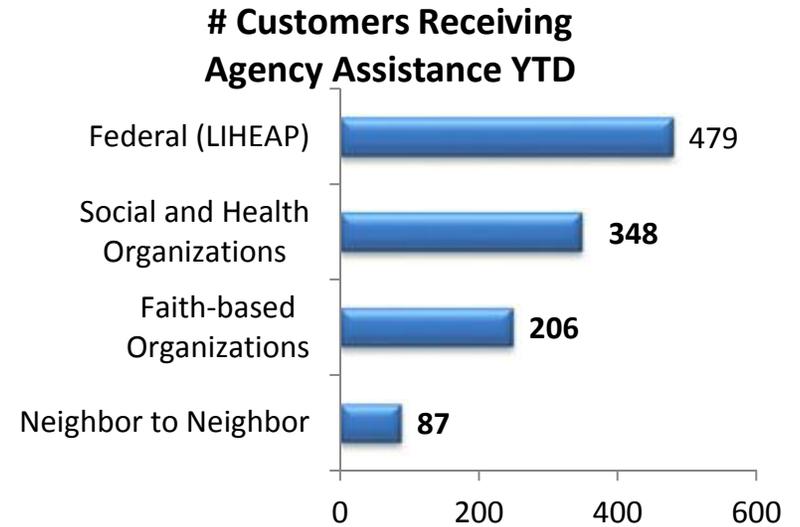
Demonstrating Community Responsibility

Corporate Citizenship: Customer Assistance Funding



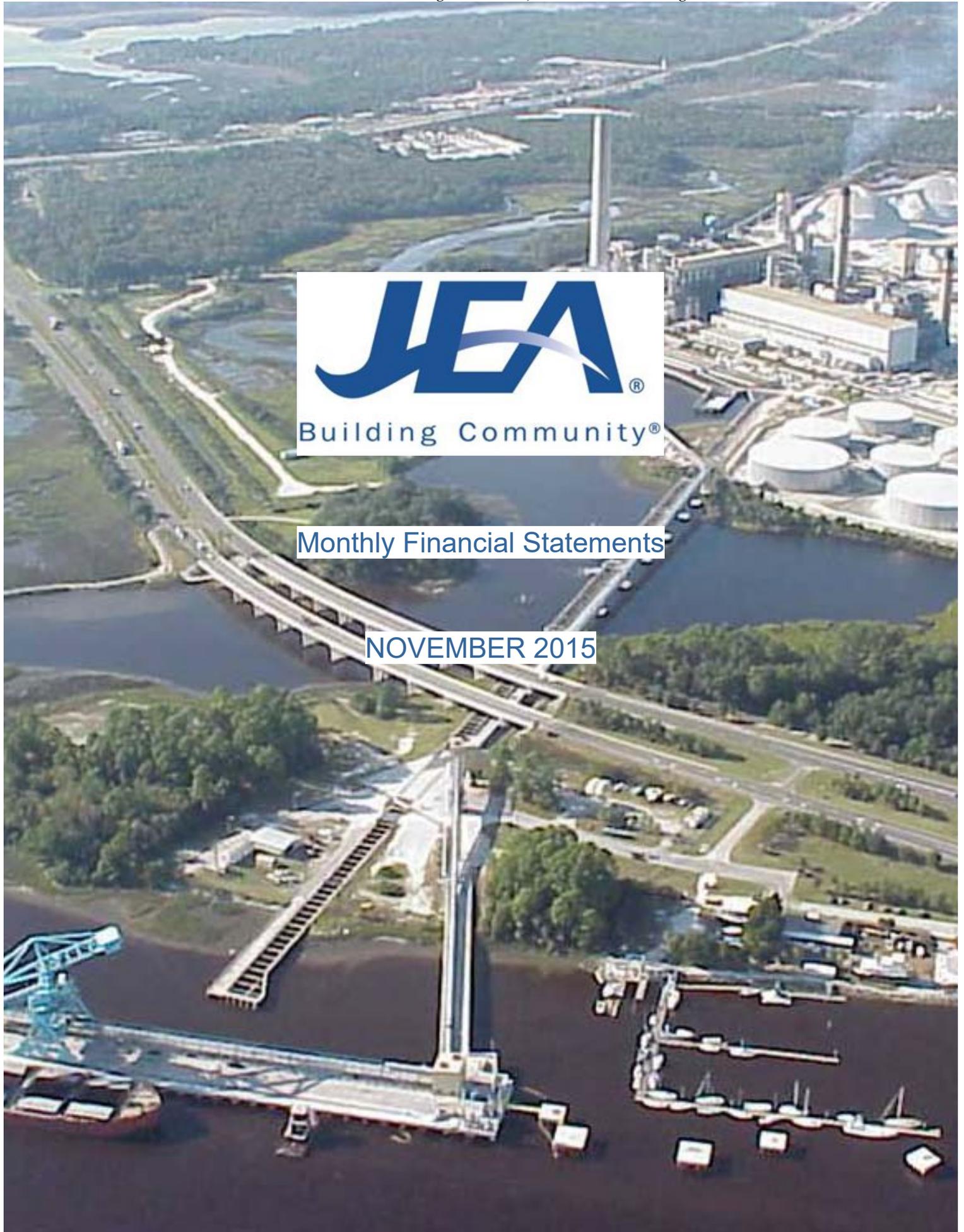
Agency & Federal
Customer Assistance
FY 16 YTD
\$488,247

26 agencies provided **663** utility payments on behalf of JEA customers in November 2015 totaling **\$224,183**



Number of Customers Receiving
Agency & Federal Utility Assistance
FY 16 YTD
1,414





Monthly Financial Statements

NOVEMBER 2015

JEA Board of Directors Meeting December 15, 2015 - III. A. Consent Agenda

Monthly Financial Statements

November 30, 2015

Index

	Page
Statements of Net Position - Assets and Deferred Outflows of Resources	2
Statements of Net Position - Liabilities, Deferred Inflows of Resources and Net Position	3
Combining Statement of Net Position - Assets and Deferred Outflows of Resources Current Year	4
Combining Statement of Net Position - Liabilities, Deferred Inflows of Resources and Net Position Current Year	5
Combining Statement of Net Position - Assets and Deferred Outflows of Resources Prior Year	6
Combining Statement of Net Position - Liabilities, Deferred Inflows of Resources and Net Position Prior Year	7
Schedules of Cash and Investments	8
Statements of Revenues, Expenses and Changes in Net Position	9
Combining Statements of Revenues, Expenses and Changes in Net Position - Current Year Month	10
Combining Statements of Revenues, Expenses and Changes in Net Position - Prior Year Month	11
Combining Statements of Revenues, Expenses and Changes in Net Position - Current Year-to-Date	12
Combining Statements of Revenues, Expenses and Changes in Net Position - Prior Year-to-Date	13
Statement of Cash Flow - Current Year	14
Combining Statements of Cash Flow - Current Year	15
Statement of Cash Flow - Prior Year	16
Combining Statements of Cash Flow - Prior Year	17
Changes in Debt Service, R & R and Construction Funds - Electric System and Plant Scherer	18
Changes in Debt Service, R & R and Construction Funds - Water and Sewer System	19
Electric Revenues and Expenses for the Month - Budget versus Actual	20
Electric Revenues and Expenses Year to Date - Budget versus Actual	21
Water and Sewer Revenues and Expenses - Budget versus Actual	22
District Energy System - Budget versus Actual	23
Schedules of Debt Service Coverage - Electric System	24
Schedules of Debt Service Coverage - Bulk Power System Supply	25
Schedules of Debt Service Coverage - SJRPP	26
Schedules of Debt Service Coverage - Water and Sewer	27
Schedules of Debt Service Coverage - District Energy System	28
Schedule of Outstanding Indebtedness - Electric	29
Schedule of Outstanding Indebtedness - Water and Sewer	30
Schedule of Outstanding Indebtedness - District Energy System	31
Investment Portfolio - All Funds	32
Interest Rate Swap Program	33
Operating Statistics - Electric System	34
Operating Statistics - Water and Sewer	35
Production Statistics - Electric System	36
Production Statistics - Electric System (Cont.)	37
Purchased Power from SJRPP	38

JEA

Page 2

Statements of Net Position**(in thousands - unaudited) November 30, 2015 and 2014**

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	2015	2014 restated
Current assets:		
Cash and cash equivalents	\$ 264,049	\$ 152,297
Investments	221,884	323,140
Customer accounts receivable, less allowance for doubtful accounts of \$4,440 in 2015 and \$4,683 in 2014	171,519	200,616
Miscellaneous accounts receivable	19,209	15,663
Interest receivable	1,860	1,735
Inventories, less reserve of \$226 in 2015 and \$1,275 in 2014:		
Fuel inventory - Electric System	67,281	51,426
Fuel inventory - Plant Scherer	5,822	3,888
Materials and supplies - Water and Sewer	42,913	45,713
Materials and supplies - Electric System	19,884	19,878
Materials and supplies - Plant Scherer	2,143	2,076
Total current assets	816,564	816,432
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	76,262	37,067
Investments	705,294	757,716
Accounts and interest receivable	5,439	4,701
Total restricted assets	786,995	799,484
Costs to be recovered from future revenues	458,992	375,986
Investment in The Energy Authority	7,581	8,168
Notes receivable - City of Jacksonville	-	189
Other assets	19,961	21,067
Total noncurrent assets	1,273,529	1,204,894
Capital assets:		
Plant in service	10,655,785	10,590,590
Land and easements	164,023	142,356
Less accumulated depreciation	(5,138,987)	(4,671,545)
Plant in service, net	5,680,821	6,061,401
Construction work in progress	237,006	111,228
Capital assets, net	5,917,827	6,172,629
Total assets	8,007,920	8,193,955
Deferred outflows of resources:		
Unamortized losses on refundings	152,337	166,167
Accumulated decrease in fair value of interest swaps derivatives	148,749	105,615
Pension	83,970	39,131
Accumulated decrease in fair value of fuel hedging derivatives	3,441	-
Total deferred outflows of resources	388,497	310,913
Total assets and deferred outflows of resources	\$ 8,396,417	\$ 8,504,868

JEA

Page 3

Statements of Net Position**(in thousands - unaudited) November 30, 2015 and 2014**

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	2015	2014 restated
Current liabilities:		
Accounts and accrued expenses payable	\$ 77,257	\$ 84,405
Customer deposits	55,736	55,688
City of Jacksonville payable	9,554	9,335
Compensated absences due within one year	4,534	6,152
State utility taxes payable	2,167	2,079
Total current liabilities	149,248	157,659
Current liabilities payable from restricted assets:		
Revenue bonds and line of credit due within one year	181,525	188,510
Renewal and replacement reserve	83,328	89,340
Interest payable	30,003	32,425
Construction contracts and accounts payable	10,658	7,110
Total current liabilities payable from restricted assets	305,514	317,385
Noncurrent liabilities:		
Pension	408,629	395,990
Compensated absences due after one year	21,590	19,097
Environmental liabilities	18,662	18,662
OPEB liability	851	4,960
Other liabilities	5,565	881
Total noncurrent liabilities	455,297	439,590
Long-term debt:		
Bonds payable, less current portion	4,467,195	4,783,425
Unamortized premium	165,305	188,687
Fair value of debt management strategy instruments	148,749	105,615
Commercial paper notes payable	-	40,800
Total long-term debt	4,781,249	5,118,527
Total liabilities	5,691,308	6,033,161
Deferred inflows of resources:		
Revenues to be used for future costs	476,292	448,401
Pension	29,795	-
Total deferred inflows of resources	506,087	448,401
Net position:		
Net investment in capital assets	1,481,910	1,220,568
Restricted	374,117	383,243
Unrestricted	342,995	419,495
Total net position	2,199,022	2,023,306
Total liabilities, deferred inflows of resources, and net position	\$ 8,396,417	\$ 8,504,868

JEA
Combining Statement of Net Position
 (in thousands - unaudited) November 30, 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Enterprise System Fund	Total JEA
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Current assets:							
Cash and cash equivalents	\$ 169,094	\$ 34,082	\$ -	\$ 203,176	\$ 56,975	\$ 3,898	\$ 264,049
Investments	209,133	12,751	-	221,884	-	-	221,884
Customer accounts receivable, less allowance for doubtful accounts of \$4,440	136,830	-	-	136,830	34,053	636	171,519
Miscellaneous accounts receivable	15,518	12,333	(9,767)	18,084	1,125	-	19,209
Interest receivable	1,003	42	-	1,045	815	-	1,860
Inventories, less reserve of \$226:							
Fuel inventory - Electric System	35,143	32,138	-	67,281	-	-	67,281
Fuel inventory - Plant Scherer	5,822	-	-	5,822	-	-	5,822
Materials and supplies - Water and Sewer	-	-	-	-	42,913	-	42,913
Materials and supplies - Electric System	-	19,884	-	19,884	-	-	19,884
Materials and supplies - Plant Scherer	2,143	-	-	2,143	-	-	2,143
Total current assets	574,686	111,230	(9,767)	676,149	135,881	4,534	816,564
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	141	45,968	-	46,109	27,092	3,061	76,262
Investments	255,405	189,646	-	445,051	260,243	-	705,294
Accounts and interest receivable	1,446	1,261	-	2,707	2,732	-	5,439
Total restricted assets	256,992	236,875	-	493,867	290,067	3,061	786,995
Costs to be recovered from future revenues	229,256	7,069	-	236,325	222,667	-	458,992
Investment in The Energy Authority	7,581	-	-	7,581	-	-	7,581
Other assets	10,203	-	-	10,203	9,758	-	19,961
Total noncurrent assets	504,032	243,944	-	747,976	522,492	3,061	1,273,529
Capital assets:							
Land and easements	95,177	6,660	-	101,837	59,135	3,051	164,023
Plant in service	5,072,204	1,362,908	-	6,435,112	4,168,053	52,620	10,655,785
Less accumulated depreciation	(2,529,522)	(818,451)	-	(3,347,973)	(1,771,107)	(19,907)	(5,138,987)
Plant in service, net	2,637,859	551,117	-	3,188,976	2,456,081	35,764	5,680,821
Construction work in progress	130,579	13,338	-	143,917	92,119	970	237,006
Capital assets, net	2,768,438	564,455	-	3,332,893	2,548,200	36,734	5,917,827
Total assets	3,847,156	919,629	(9,767)	4,757,018	3,206,573	44,329	8,007,920
Deferred outflows of resources:							
Unamortized losses on refundings	84,388	19,180	-	103,568	48,551	218	152,337
Accumulated decrease in fair value of interest swaps derivatives	120,400	-	-	120,400	28,349	-	148,749
Pension	48,712	4,115	-	52,827	31,143	-	83,970
Accumulated decrease in fair value of fuel hedging derivatives	3,441	-	-	3,441	-	-	3,441
Total deferred outflows of resources	256,941	23,295	-	280,236	108,043	218	388,497
Total assets and deferred outflows of resources	\$ 4,104,097	\$ 942,924	\$ (9,767)	\$ 5,037,254	\$ 3,314,616	\$ 44,547	\$ 8,396,417

JEA
 Combining Statement of Net Position
 (in thousands - unaudited) November 30, 2015

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter-company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Current liabilities:							
Accounts and accrued expenses payable	\$ 51,629	\$ 14,433	\$ (224)	\$ 65,838	\$ 11,393	\$ 26	\$ 77,257
Customer deposits	42,497	-	-	42,497	13,239	-	55,736
City of Jacksonville payable	7,643	-	-	7,643	1,911	-	9,554
Compensated absences due within one year	1,824	1,486	-	3,310	1,217	7	4,534
State utility taxes payable	2,167	-	-	2,167	-	-	2,167
Total current liabilities	105,760	15,919	(224)	121,455	27,760	33	149,248
Current liabilities payable from restricted assets:							
Revenue bonds and line of credit due within one year	102,240	43,785	-	146,025	33,875	1,625	181,525
Renewal and replacement reserve	-	83,328	-	83,328	-	-	83,328
Interest payable	15,367	3,553	-	18,920	10,850	233	30,003
Construction contracts and accounts payable	3,963	10,343	(9,543)	4,763	5,863	32	10,658
Total current liabilities payable from restricted assets	121,570	141,009	(9,543)	253,036	50,588	1,890	305,514
Noncurrent liabilities:							
Pension	246,724	4,163	-	250,887	157,742	-	408,629
Compensated absences due after one year	15,065	1,046	-	16,111	5,425	54	21,590
Environmental liabilities	18,662	-	-	18,662	-	-	18,662
OPEB liability	536	-	-	536	315	-	851
Other liabilities	3,441	-	-	3,441	2,124	-	5,565
Total noncurrent liabilities	284,428	5,209	-	289,637	165,606	54	455,297
Long-term debt:							
Bonds payable, less current portion	2,369,215	450,215	-	2,819,430	1,609,640	38,125	4,467,195
Unamortized premium (discount)	81,517	23,046	-	104,563	60,789	(47)	165,305
Fair value of debt management strategy instruments	120,400	-	-	120,400	28,349	-	148,749
Total long-term debt	2,571,132	473,261	-	3,044,393	1,698,778	38,078	4,781,249
Total liabilities	3,082,890	635,398	(9,767)	3,708,521	1,942,732	40,055	5,691,308
Deferred inflows of resources:							
Revenues to be used for future costs	283,045	169,456	-	452,501	23,791	-	476,292
Pension	16,446	2,835	-	19,281	10,514	-	29,795
Total deferred inflows of resources	299,491	172,291	-	471,782	34,305	-	506,087
Net position:							
Net investment in capital assets	331,913	25,087	-	357,000	1,127,693	(2,783)	1,481,910
Restricted	172,179	11,697	9,543	193,419	177,870	2,828	374,117
Unrestricted	217,624	98,451	(9,543)	306,532	32,016	4,447	342,995
Total net position	721,716	135,235	-	856,951	1,337,579	4,492	2,199,022
Total liabilities, deferred inflows of resources, and net position	\$ 4,104,097	\$ 942,924	\$ (9,767)	\$ 5,037,254	\$ 3,314,616	\$ 44,547	\$ 8,396,417

JEA

Page 6

Combining Statement of Net Position

(in thousands - unaudited) November 30, 2014 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Enterprise Energy System Fund	Total JEA
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Current assets:							
Cash and cash equivalents	\$ 88,242	\$ 35,710	\$ -	\$ 123,952	\$ 24,750	\$ 3,595	\$ 152,297
Investments	253,311	52,626	-	305,937	17,203	-	323,140
Customer accounts receivable, less allowance for doubtful accounts of \$4,683	162,233	-	-	162,233	37,514	869	200,616
Miscellaneous accounts receivable	11,926	12,329	(9,364)	14,891	772	-	15,663
Interest receivable	893	-	-	893	842	-	1,735
Inventories, less reserve of \$1,275:							
Fuel inventory - Electric System	33,250	18,176	-	51,426	-	-	51,426
Fuel inventory - Plant Scherer	3,888	-	-	3,888	-	-	3,888
Materials and supplies - Water and Sewer	-	-	-	-	45,713	-	45,713
Materials and supplies - Electric System	-	19,878	-	19,878	-	-	19,878
Materials and supplies - Plant Scherer	2,076	-	-	2,076	-	-	2,076
Total current assets	555,819	138,719	(9,364)	685,174	126,794	4,464	816,432
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	132	32,923	-	33,055	861	3,151	37,067
Investments	258,727	206,791	-	465,518	292,198	-	757,716
Accounts and interest receivable	1,430	1,273	-	2,703	1,998	-	4,701
Total restricted assets	260,289	240,987	-	501,276	295,057	3,151	799,484
Costs to be recovered from future revenues	228,918	9,819	-	238,737	137,249	-	375,986
Investment in The Energy Authority	8,168	-	-	8,168	-	-	8,168
Notes receivable - City of Jacksonville	-	-	-	-	189	-	189
Other assets	9,799	-	-	9,799	11,268	-	21,067
Total noncurrent assets	507,174	250,806	-	757,980	443,763	3,151	1,204,894
Capital assets:							
Land and easements	73,621	6,660	-	80,281	59,024	3,051	142,356
Plant in service	5,063,627	1,388,151	-	6,451,778	4,086,516	52,296	10,590,590
Less accumulated depreciation	(2,345,976)	(794,174)	-	(3,140,150)	(1,513,778)	(17,617)	(4,671,545)
Plant in service, net	2,791,272	600,637	-	3,391,909	2,631,762	37,730	6,061,401
Construction work in progress	45,980	15,347	-	61,327	49,583	318	111,228
Capital assets, net	2,837,252	615,984	-	3,453,236	2,681,345	38,048	6,172,629
Total assets	3,900,245	1,005,509	(9,364)	4,896,390	3,251,902	45,663	8,193,955
Deferred outflows of resources:							
Unamortized losses on refundings	89,883	24,924	-	114,807	51,134	226	166,167
Accumulated decrease in fair value of interest swaps derivatives	88,022	-	-	88,022	17,593	-	105,615
Pension	21,157	4,447	-	25,604	13,527	-	39,131
Total deferred outflows of resources	199,062	29,371	-	228,433	82,254	226	310,913
Total assets and deferred outflows of resources	\$ 4,099,307	\$ 1,034,880	\$ (9,364)	\$ 5,124,823	\$ 3,334,156	\$ 45,889	\$ 8,504,868

JEA

Page 7

Combining Statement of Net Position

(in thousands - unaudited) November 30, 2014 restated

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Enterprise Energy System Fund	Total JEA
Current liabilities:							
Accounts and accrued expenses payable	\$ 68,149	\$ 6,349	\$ (1,843)	\$ 72,655	\$ 11,725	\$ 25	\$ 84,405
Customer deposits	42,898	-	-	42,898	12,790	-	55,688
City of Jacksonville payable	7,509	-	-	7,509	1,826	-	9,335
Compensated absences due within one year	3,950	1,486	-	5,436	710	6	6,152
State utility taxes payable	2,079	-	-	2,079	-	-	2,079
Total current liabilities	124,585	7,835	(1,843)	130,577	27,051	31	157,659
Current liabilities payable from restricted assets:							
Revenue bonds and line of credit due within one year	99,905	50,815	-	150,720	36,180	1,610	188,510
Renewal and replacement reserve	-	89,340	-	89,340	-	-	89,340
Interest payable	16,415	4,221	-	20,636	11,554	235	32,425
Construction contracts and accounts payable	2,560	8,154	(7,521)	3,193	3,911	6	7,110
Total current liabilities payable from restricted assets	118,880	152,530	(7,521)	263,889	51,645	1,851	317,385
Noncurrent liabilities:							
Pension	235,941	9,201	-	245,142	150,848	-	395,990
Compensated absences due after one year	12,128	1,113	-	13,241	5,805	51	19,097
Environmental liabilities	18,662	-	-	18,662	-	-	18,662
OPEB liability	3,134	-	-	3,134	1,826	-	4,960
Other liabilities	-	-	-	-	881	-	881
Total noncurrent liabilities	269,865	10,314	-	280,179	159,360	51	439,590
Long-term debt:							
Bonds payable, less current portion	2,498,500	528,295	-	3,026,795	1,716,880	39,750	4,783,425
Unamortized premium	95,487	24,266	-	119,753	68,986	(52)	188,687
Fair value of debt management strategy instruments	88,022	-	-	88,022	17,593	-	105,615
Commercial paper notes payable	40,800	-	-	40,800	-	-	40,800
Total long-term debt	2,722,809	552,561	-	3,275,370	1,803,459	39,698	5,118,527
Total liabilities	3,236,139	723,240	(9,364)	3,950,015	2,041,515	41,631	6,033,161
Deferred inflows of resources:							
Revenues to be used for future costs	247,954	177,552	-	425,506	22,895	-	448,401
Total deferred inflows of resources	247,954	177,552	-	425,506	22,895	-	448,401
Net position:							
Net investment in capital assets	221,609	(12,152)	-	209,457	1,014,151	(3,040)	1,220,568
Restricted	174,182	16,468	7,521	198,171	182,156	2,916	383,243
Unrestricted	219,423	129,772	(7,521)	341,674	73,439	4,382	419,495
Total net position	615,214	134,088	-	749,302	1,269,746	4,258	2,023,306
Total liabilities, deferred inflows of resources, and net position	\$ 4,099,307	\$ 1,034,880	\$ (9,364)	\$ 5,124,823	\$ 3,334,156	\$ 45,889	\$ 8,504,868

JEA

Page 8

Schedule of Cash and Investments

(in thousands - unaudited) November 30, 2015

	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments:						
Operations	\$ 72,729	\$ 19,422	\$ 92,151	\$ 19,834	\$ 1,161	\$ 113,146
Rate stabilization:						
Fuel	116,352	-	116,352	-	-	116,352
Debt management	42,126	-	42,126	20,290	2,737	65,153
Environmental	24,641	-	24,641	3,612	-	28,253
Purchased Power	38,000	-	38,000	-	-	38,000
DSM/Conservation	3,316	-	3,316	-	-	3,316
Total rate stabilization funds	224,435	-	224,435	23,902	2,737	251,074
General reserve	-	27,411	27,411	-	-	27,411
Customer deposits	42,338	-	42,338	13,239	-	55,577
Self insurance reserve funds:						
Self funded health plan	10,063	-	10,063	-	-	10,063
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	20,063	-	20,063	-	-	20,063
Environmental liability reserve	18,662	-	18,662	-	-	18,662
Total unrestricted cash and investments	\$ 378,227	\$ 46,833	\$ 425,060	\$ 56,975	\$ 3,898	\$ 485,933
Restricted assets:						
Renewal and replacement funds	\$ 151,610	\$ 83,232	\$ 234,842	\$ 157,758	\$ 2,557	\$ 395,157
Debt service reserve account	69,446	137,056	206,502	108,849	-	315,351
Debt service funds	31,115	7,691	38,806	16,035	504	55,345
Construction funds	3	77	80	664	-	744
Subtotal	252,174	228,056	480,230	283,306	3,061	766,597
Unrealized holding gain (loss) on investments	3,235	(1,262)	1,973	3,959	-	5,932
Other funds	137	8,820	8,957	70	-	9,027
Total restricted cash and investments	\$ 255,546	\$ 235,614	\$ 491,160	\$ 287,335	\$ 3,061	\$ 781,556

JEA

Schedule of Cash and Investments

(in thousands - unaudited) November 30, 2014 restated

	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments:						
Operations	\$ 74,665	\$ 21,972	\$ 96,637	\$ 8,569	\$ 858	\$ 106,064
Rate stabilization:						
Fuel	109,456	-	109,456	-	-	109,456
Debt management	42,126	-	42,126	20,290	2,737	65,153
Environmental	17,694	-	17,694	-	-	17,694
Purchased Power	12,000	-	12,000	-	-	12,000
DSM/Conservation	4,209	-	4,209	-	-	4,209
Total rate stabilization funds	185,485	-	185,485	20,290	2,737	208,512
General reserve	-	66,364	66,364	-	-	66,364
Customer deposits	42,699	-	42,699	12,790	-	55,489
Self insurance reserve funds:						
Self funded health plan	10,042	-	10,042	-	-	10,042
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	20,042	-	20,042	-	-	20,042
Environmental liability reserve	18,662	-	18,662	-	-	18,662
Debt management strategy reserve	-	-	-	304	-	304
Total unrestricted cash and investments	\$ 341,553	\$ 88,336	\$ 429,889	\$ 41,953	\$ 3,595	\$ 475,437
Restricted assets:						
Renewal and replacement funds	\$ 154,074	\$ 89,232	\$ 243,306	\$ 151,128	\$ 2,648	\$ 397,082
Debt service reserve account	69,692	129,646	199,338	116,828	-	316,166
Debt service funds	31,774	9,433	41,207	17,243	503	58,953
Environmental funds	-	-	-	3,467	-	3,467
Construction funds	28	147	175	670	-	845
Subtotal	255,568	228,458	484,026	289,336	3,151	776,513
Unrealized holding gain (loss) on investments	3,198	(1,186)	2,012	3,532	-	5,544
Other funds	93	12,442	12,535	191	-	12,726
Total restricted cash and investments	\$ 258,859	\$ 239,714	\$ 498,573	\$ 293,059	\$ 3,151	\$ 794,783

JEA
Statements of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited)

Page 9

	Month November		Year-To-Date November	
	2015	2014 restated	2015	2014 restated
Operating revenues (net of allowances and discounts) :				
Electric - base	\$ 59,324	\$ 56,882	\$ 116,468	\$ 119,449
Electric - fuel and purchased power	37,910	50,209	81,876	99,376
Water and Sewer	28,758	29,440	62,875	62,358
District Energy	583	761	1,395	1,601
Other, net of allowances	2,637	2,353	5,762	5,687
Total operating revenues	129,212	139,645	268,376	288,471
Operating expenses:				
Operations:				
Fuel	30,087	39,567	67,902	83,173
Purchased power	4,662	4,868	6,953	6,844
Other	17,998	18,447	39,570	39,189
Maintenance	7,891	8,286	13,887	14,931
Depreciation	30,163	31,330	60,331	62,440
State utility taxes and franchise fees	5,297	4,986	9,003	11,551
Recognition of deferred costs and revenues, net	(1,345)	(895)	(2,521)	(1,784)
Total operating expenses	94,753	106,589	195,125	216,344
Operating income	34,459	33,056	73,251	72,127
Nonoperating revenues (expenses):				
Earnings from The Energy Authority	297	(206)	208	(41)
Investment income	981	890	1,998	1,814
Other revenue	931	604	1,712	1,210
Other expense	(21)	-	(43)	-
Interest on debt	(13,285)	(14,652)	(26,619)	(29,297)
Debt management strategy	(1,662)	(1,599)	(3,320)	(3,200)
Other interest, net	(6)	(5)	(194)	(14)
Allowance for funds used during construction	743	332	1,551	788
Total nonoperating revenues (expenses), net	(12,022)	(14,636)	(24,707)	(28,740)
Special Item	-	-	-	151,490
Income before contributions	22,437	18,420	48,544	194,877
Contributions (to) from:				
General fund, City of Jacksonville	(9,515)	(9,307)	(19,032)	(18,614)
Developers and other	4,087	4,142	6,943	8,509
Reduction of plant cost through contributions	(3,028)	(2,620)	(4,342)	(5,367)
Total contributions	(8,456)	(7,785)	(16,431)	(15,472)
Change in net position	13,981	10,635	32,113	179,405
Net position - beginning of period	2,185,041	2,012,671	2,166,909	1,843,901
Net position - end of period	\$ 2,199,022	\$ 2,023,306	\$ 2,199,022	\$ 2,023,306

JEA

Page 10

Combining Statement of Revenues, Expenses and Changes in Net Position
 (in thousands - unaudited) for the month ended November 30, 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter-company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts) :								
Electric - base	\$ 59,526	\$ -	\$ -	\$ 59,526	\$ -	\$ -	\$ (202)	\$ 59,324
Electric - fuel and purchased power	27,122	22,322	(10,775)	38,669	-	-	(759)	37,910
Water and Sewer	-	-	-	-	28,810	-	(52)	28,758
District Energy	-	-	-	-	-	583	-	583
Other, net of allowances	1,981	-	-	1,981	972	-	(316)	2,637
Total operating revenues	88,629	22,322	(10,775)	100,176	29,782	583	(1,329)	129,212
Operating expenses:								
Operations:								
Fuel	15,688	14,399	-	30,087	-	-	-	30,087
Purchased power	15,437	-	(10,775)	4,662	-	-	-	4,662
Other	9,227	1,608	-	10,835	8,164	328	(1,329)	17,998
Maintenance	5,427	1,258	-	6,685	1,148	58	-	7,891
Depreciation	15,468	3,563	-	19,031	10,941	191	-	30,163
State utility taxes and franchise fees	4,533	-	-	4,533	764	-	-	5,297
Recognition of deferred costs and revenues, net	(218)	(970)	-	(1,188)	(157)	-	-	(1,345)
Total operating expenses	65,562	19,858	(10,775)	74,645	20,860	577	(1,329)	94,753
Operating income	23,067	2,464	-	25,531	8,922	6	-	34,459
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	297	-	-	297	-	-	-	297
Investment income	414	332	-	746	235	-	-	981
Other revenue	377	34	-	411	520	-	-	931
Other expense	(21)	-	-	(21)	-	-	-	(21)
Interest on debt	(6,248)	(2,211)	-	(8,459)	(4,708)	(118)	-	(13,285)
Debt management strategy	(1,293)	-	-	(1,293)	(369)	-	-	(1,662)
Other interest, net	(6)	-	-	(6)	-	-	-	(6)
Allowance for funds used during construction	405	-	-	405	335	3	-	743
Total nonoperating revenues (expenses), net	(6,075)	(1,845)	-	(7,920)	(3,987)	(115)	-	(12,022)
Income before contributions	16,992	619	-	17,611	4,935	(109)	-	22,437
Contributions (to) from:								
General fund, City of Jacksonville	(7,643)	-	-	(7,643)	(1,872)	-	-	(9,515)
Developers and other	-	-	-	-	4,087	-	-	4,087
Reduction of plant cost through contributions	-	-	-	-	(3,028)	-	-	(3,028)
Total contributions	(7,643)	-	-	(7,643)	(813)	-	-	(8,456)
Change in net position	9,349	619	-	9,968	4,122	(109)	-	13,981
Net position - beginning of period	712,367	134,616	-	846,983	1,333,457	4,601	-	2,185,041
Net position - end of period	\$ 721,716	\$ 135,235	\$ -	\$ 856,951	\$ 1,337,579	\$ 4,492	\$ -	\$ 2,199,022

JEA Board of Directors Meeting December 15, 2015 - III. A. Consent Agenda

JEA

Page 11

**Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended November 30, 2014 restated**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric - base	\$ 57,172	\$ -	\$ -	\$ 57,172	\$ -	\$ -	\$ (290)	\$ 56,882
Electric - fuel and purchased power	38,967	28,584	(16,247)	51,304	-	-	(1,095)	50,209
Water and Sewer	-	-	-	-	29,486	-	(46)	29,440
District Energy	-	-	-	-	-	761	-	761
Other, net of allowances	1,875	-	-	1,875	687	-	(209)	2,353
Total operating revenues	98,014	28,584	(16,247)	110,351	30,173	761	(1,640)	139,645
Operating expenses:								
Operations:								
Fuel	19,949	19,618	-	39,567	-	-	-	39,567
Purchased power	21,115	-	(16,247)	4,868	-	-	-	4,868
Other	9,315	1,777	-	11,092	8,694	301	(1,640)	18,447
Maintenance	5,888	1,165	-	7,053	1,159	74	-	8,286
Depreciation	16,704	3,563	-	20,267	10,873	190	-	31,330
State utility taxes and franchise fees	4,255	-	-	4,255	731	-	-	4,986
Recognition of deferred costs and revenues, net	(312)	(573)	-	(885)	(10)	-	-	(895)
Total operating expenses	76,914	25,550	(16,247)	86,217	21,447	565	(1,640)	106,589
Operating income	21,100	3,034	-	24,134	8,726	196	-	33,056
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	(206)	-	-	(206)	-	-	-	(206)
Investment income	344	287	-	631	259	-	-	890
Other revenue	363	34	-	397	207	-	-	604
Interest on debt	(6,767)	(2,670)	-	(9,437)	(5,096)	(119)	-	(14,652)
Debt management strategy	(1,292)	-	-	(1,292)	(307)	-	-	(1,599)
Other interest, net	(5)	-	-	(5)	-	-	-	(5)
Allowance for funds used during construction	141	-	-	141	190	1	-	332
Total nonoperating revenues (expenses), net	(7,422)	(2,349)	-	(9,771)	(4,747)	(118)	-	(14,636)
Income before contributions	13,678	685	-	14,363	3,979	78	-	18,420
Contributions (to) from:								
General fund, City of Jacksonville	(7,509)	-	-	(7,509)	(1,798)	-	-	(9,307)
Developers and other	-	-	-	-	4,142	-	-	4,142
Reduction of plant cost through contributions	-	-	-	-	(2,620)	-	-	(2,620)
Total contributions	(7,509)	-	-	(7,509)	(276)	-	-	(7,785)
Change in net position	6,169	685	-	6,854	3,703	78	-	10,635
Net position, beginning of year, as restated	609,045	133,403	-	742,448	1,266,043	4,180	-	2,012,671
Net position - end of period	\$ 615,214	\$ 134,088	\$ -	\$ 749,302	\$ 1,269,746	\$ 4,258	\$ -	\$ 2,023,306

JEA Board of Directors Meeting December 15, 2015 - III. A. Consent Agenda

JEA

Page 12

**Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the two month(s) ended November 30, 2015**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts):								
Electric - base	\$ 116,853	\$ -	\$ -	\$ 116,853	\$ -	\$ -	\$ (385)	\$ 116,468
Electric - fuel and purchased power	59,009	47,642	(23,327)	83,324	-	-	(1,448)	81,876
Water and Sewer	-	-	-	-	62,983	-	(108)	62,875
District Energy	-	-	-	-	-	1,395	-	1,395
Other, net of allowances	4,426	-	-	4,426	1,969	-	(633)	5,762
Total operating revenues	180,288	47,642	(23,327)	204,603	64,952	1,395	(2,574)	268,376
Operating expenses:								
Operations:								
Fuel	36,909	30,993	-	67,902	-	-	-	67,902
Purchased power	30,280	-	(23,327)	6,953	-	-	-	6,953
Other	21,382	4,253	-	25,635	16,020	489	(2,574)	39,570
Maintenance	9,268	2,264	-	11,532	2,235	120	-	13,887
Depreciation	31,106	7,126	-	38,232	21,716	383	-	60,331
State utility taxes and franchise fees	7,378	-	-	7,378	1,625	-	-	9,003
Recognition of deferred costs and revenues, net	(436)	(1,939)	-	(2,375)	(146)	-	-	(2,521)
Total operating expenses	135,887	42,697	(23,327)	155,257	41,450	992	(2,574)	195,125
Operating income	44,401	4,945	-	49,346	23,502	403	-	73,251
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	208	-	-	208	-	-	-	208
Investment income	902	650	-	1,552	445	1	-	1,998
Other revenue	750	68	-	818	894	-	-	1,712
Other expense	(43)	-	-	(43)	-	-	-	(43)
Interest on debt	(12,531)	(4,423)	-	(16,954)	(9,430)	(235)	-	(26,619)
Debt management strategy	(2,583)	-	-	(2,583)	(737)	-	-	(3,320)
Other interest, net	(152)	-	-	(152)	(42)	-	-	(194)
Allowance for funds used during construction	816	-	-	816	729	6	-	1,551
Total nonoperating revenues (expenses), net	(12,633)	(3,705)	-	(16,338)	(8,141)	(228)	-	(24,707)
Income before contributions	31,768	1,240	-	33,008	15,361	175	-	48,544
Contributions (to) from:								
General fund, City of Jacksonville	(15,287)	-	-	(15,287)	(3,745)	-	-	(19,032)
Developers and other	-	-	-	-	6,943	-	-	6,943
Reduction of plant cost through contributions	-	-	-	-	(4,342)	-	-	(4,342)
Total contributions	(15,287)	-	-	(15,287)	(1,144)	-	-	(16,431)
Change in net position	16,481	1,240	-	17,721	14,217	175	-	32,113
Net position - beginning of period	705,235	133,995	-	839,230	1,323,362	4,317	-	2,166,909
Net position - end of period	\$ 721,716	\$ 135,235	\$ -	\$ 856,951	\$ 1,337,579	\$ 4,492	\$ -	\$ 2,199,022

JEA Board of Directors Meeting December 15, 2015 - III. A. Consent Agenda

JEA

Page 13

Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the two month(s) ended November 30, 2014 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues (net of allowances and discounts) :								
Electric - base	\$ 120,051	\$ -	\$ -	\$ 120,051	\$ -	\$ -	\$ (602)	\$ 119,449
Electric - fuel and purchased power	77,273	56,751	(32,384)	101,640	-	-	(2,264)	99,376
Water and Sewer	-	-	-	-	62,465	-	(107)	62,358
District Energy	-	-	-	-	-	1,601	-	1,601
Other, net of allowances	4,676	-	-	4,676	1,429	-	(418)	5,687
Total operating revenues	202,000	56,751	(32,384)	226,367	63,894	1,601	(3,391)	288,471
Operating expenses:								
Operations:								
Fuel	45,260	37,913	-	83,173	-	-	-	83,173
Purchased power	39,228	-	(32,384)	6,844	-	-	-	6,844
Other	19,825	4,496	-	24,321	17,543	716	(3,391)	39,189
Maintenance	10,340	2,333	-	12,673	2,088	170	-	14,931
Depreciation	33,264	7,126	-	40,390	21,671	379	-	62,440
State utility taxes and franchise fees	9,950	-	-	9,950	1,601	-	-	11,551
Recognition of deferred costs and revenues, net	(625)	(1,145)	-	(1,770)	(14)	-	-	(1,784)
Total operating expenses	157,242	50,723	(32,384)	175,581	42,889	1,265	(3,391)	216,344
Operating income	44,758	6,028	-	50,786	21,005	336	-	72,127
Nonoperating revenues (expenses):								
Earnings from The Energy Authority	(41)	-	-	(41)	-	-	-	(41)
Investment income	694	614	-	1,308	505	1	-	1,814
Other revenue	727	68	-	795	415	-	-	1,210
Interest on debt	(13,498)	(5,340)	-	(18,838)	(10,222)	(237)	-	(29,297)
Debt management strategy	(2,585)	-	-	(2,585)	(615)	-	-	(3,200)
Other interest, net	(14)	-	-	(14)	-	-	-	(14)
Allowance for funds used during construction	327	-	-	327	459	2	-	788
Total nonoperating revenues (expenses), net	(14,390)	(4,658)	-	(19,048)	(9,458)	(234)	-	(28,740)
Special Item	34,667	-	-	34,667	116,823	-	-	151,490
Income before contributions	65,035	1,370	-	66,405	128,370	102	-	194,877
Contributions (to) from:								
General fund, City of Jacksonville	(15,018)	-	-	(15,018)	(3,596)	-	-	(18,614)
Developers and other	-	-	-	-	8,509	-	-	8,509
Reduction of plant cost through contributions	-	-	-	-	(5,367)	-	-	(5,367)
Total contributions	(15,018)	-	-	(15,018)	(454)	-	-	(15,472)
Change in net position	50,017	1,370	-	51,387	127,916	102	-	179,405
Net position, beginning of year, as restated	565,197	132,718	-	697,915	1,141,830	4,156	-	1,843,901
Net position - end of period	\$ 615,214	\$ 134,088	\$ -	\$ 749,302	\$ 1,269,746	\$ 4,258	\$ -	\$ 2,023,306

JEA

Page 14

Statement of Cash Flows

(in thousands - unaudited) for the two month(s) ended November 30, 2015

Operations:	
Receipts from customers	\$ 293,200
Other receipts	6,742
Payments to suppliers	(147,336)
Payments to employees	(36,089)
Net cash provided by operating activities	116,517
Noncapital and related financing activities:	
Contribution to General Fund, City of Jacksonville, Florida	(18,823)
Other revenues, net	463
Net cash used in noncapital financing activities	(18,360)
Capital and related financing activities:	
Acquisition and construction of capital assets	(43,857)
Proceeds from sales of property	48
Gain/(Loss) on disposal of assets	69
Repayment of debt principal	(187,501)
Interest paid on debt	(91,130)
Debt issue costs and discounts	(17)
Contribution from developers and others	2,601
Net cash used in capital and related financing activities	(319,787)
Investing activities:	
Purchase of investments	(249,348)
Proceeds from sale and maturities of investments	173,536
Investment income	1,561
Distributions from The Energy Authority	118
Net cash used in investing activities	(74,133)
Net change in cash and cash equivalents	(295,763)
Cash and cash equivalents at October 1, 2015	636,074
Cash and cash equivalents at November 30, 2015	\$ 340,311
Reconciliation of operating income to net cash provided by operating activities:	
Operating Income:	\$ 73,251
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	60,574
Recognition of deferred costs and revenues, net	(2,521)
Changes in noncash assets and noncash liabilities:	
Accounts receivable	60,435
Accounts receivable, restricted	980
Inventories	(8,468)
Other assets	(2,237)
Accounts and expenses payable	(24,564)
Liabilities payable, restricted	(9,465)
Other liabilities	(31,468)
Net cash provided by operating activities	\$ 116,517
Non-cash activity:	
Contribution of capital assets from developers	<u>\$ 4,342</u>

JEA Board of Directors Meeting December 15, 2015 - III. A. Consent Agenda

JEA
Combining Statement of Cash Flows
 (in thousands - unaudited) for the two month(s) ended November 30, 2015

Page 15

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 194,681	\$ 47,642	\$ (15,732)	\$ 226,591	\$ 66,827	\$ 1,723	\$ (1,941)	\$ 293,200
Other receipts	5,726	-	-	5,726	1,649	-	(633)	6,742
Payments to suppliers	(105,951)	(46,668)	15,732	(136,887)	(12,491)	(532)	2,574	(147,336)
Payments to employees	(23,604)	(3,753)	-	(27,357)	(8,654)	(78)	-	(36,089)
Net cash provided by operating activities	70,852	(2,779)	-	68,073	47,331	1,113	-	116,517
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, Florida	(15,153)	-	-	(15,153)	(3,670)	-	-	(18,823)
Other revenues, net	(14)	-	-	(14)	477	-	-	463
Net cash used in noncapital financing activities	(15,167)	-	-	(15,167)	(3,193)	-	-	(18,360)
Capital and related financing activities:								
Acquisition and construction of capital assets	(24,941)	-	-	(24,941)	(18,802)	(114)	-	(43,857)
Proceeds from sales of property	-	-	-	-	48	-	-	48
Gain/(Loss) on disposal of assets	69	-	-	69	-	-	-	69
Repayment of debt principal	(98,765)	(50,946)	-	(149,711)	(36,180)	(1,610)	-	(187,501)
Interest paid on debt	(46,273)	(11,438)	-	(57,711)	(32,714)	(705)	-	(91,130)
Debt issue costs and discounts	(17)	-	-	(17)	-	-	-	(17)
Contribution from developers and others	-	-	-	-	2,601	-	-	2,601
Net cash used in capital and related financing activities	(169,927)	(62,384)	-	(232,311)	(85,047)	(2,429)	-	(319,787)
Investing activities:								
Purchase of investments	(137,564)	(81,862)	-	(219,426)	(29,922)	-	-	(249,348)
Proceeds from sale and maturities of investments	103,957	86,771	-	190,728	(17,192)	-	-	173,536
Investment income	887	386	-	1,273	287	1	-	1,561
Distributions from The Energy Authority	118	-	-	118	-	-	-	118
Net cash used in investing activities	(32,602)	5,295	-	(27,307)	(46,827)	1	-	(74,133)
Net change in cash and cash equivalents	(146,844)	(59,868)	-	(206,712)	(87,736)	(1,315)	-	(295,763)
Cash and cash equivalents at October 1, 2015	316,079	139,918	-	455,997	171,803	8,274	-	636,074
Cash and cash equivalents at November 30, 2015	\$ 169,235	\$ 80,050	\$ -	\$ 249,285	\$ 84,067	\$ 6,959	\$ -	\$ 340,311
Reconciliation of operating income to net cash provided by operating activities:								
Operating Income:	\$ 44,401	\$ 4,945	\$ -	\$ 49,346	\$ 23,502	\$ 403	\$ -	\$ 73,251
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	31,106	7,126	-	38,232	\$ 21,959	383	-	60,574
Recognition of deferred costs and revenues, net	(436)	(1,939)	-	(2,375)	\$ (146)	-	-	(2,521)
Changes in noncash assets and noncash liabilities:								
Accounts receivable	51,569	8,256	-	59,825	\$ 282	328	-	60,435
Accounts receivable, restricted	1,300	-	-	1,300	\$ (320)	-	-	980
Inventories	(4,704)	(3,617)	-	(8,321)	\$ (147)	-	-	(8,468)
Other assets	(1,809)	-	-	(1,809)	\$ (428)	-	-	(2,237)
Accounts and expenses payable	(17,630)	(7,802)	-	(25,432)	\$ 866	2	-	(24,564)
Liabilities payable, restricted	-	(9,465)	-	(9,465)	\$ -	-	-	(9,465)
Other liabilities	(32,945)	(283)	-	(33,228)	\$ 1,763	(3)	-	(31,468)
Net cash provided by operating activities	\$ 70,852	\$ (2,779)	\$ -	\$ 68,073	\$ 47,331	\$ 1,113	\$ -	\$ 116,517
Non-cash activity:								
Contribution of capital assets from developers	\$ -	\$ -	\$ -	\$ -	\$ 4,342	\$ -	\$ -	\$ 4,342

JEA

Page 16

Statement of Cash Flows**(in thousands - unaudited) for the two month(s) ended November 30, 2014 restated**

Operations:	
Receipts from customers	\$ 323,063
Other receipts	5,885
Payments to suppliers	(142,132)
Payments to employees	(36,473)
Net cash provided by / (used in) operating activities	150,343
Noncapital and related financing activities:	
Contribution to General Fund, City of Jacksonville, Florida	(18,428)
Net cash used in noncapital financing activities	(18,428)
Capital and related financing activities:	
Acquisition and construction of capital assets	(32,652)
Proceeds from sales of property	44
Debt issue costs and discounts	(140)
Defeasance of debt	3
Repayment of debt principal	(256,630)
Interest paid on debt	(96,200)
Contribution from developers and others	3,142
Net cash used in capital and related financing activities	(382,433)
Investing activities:	
Purchase of investments	(371,837)
Proceeds from sale and maturities of investments	220,968
Investment income	1,267
Distributions from The Energy Authority	(138)
Net cash used in investing activities	(149,740)
Net change in cash and cash equivalents	(400,258)
Cash and cash equivalents at October 1, 2014	589,622
Cash and cash equivalents at November 30, 2014	\$ 189,364
Reconciliation of operating income to net cash provided by operating activities:	
Operating Income:	\$ 72,127
Adjustments to reconcile operating income to net cash provided by operating activities:	
Depreciation and amortization	62,694
Recognition of deferred costs and revenues, net	(1,784)
Changes in noncash assets and noncash liabilities:	
Accounts receivable	23,439
Accounts receivable, restricted	131
Inventories	13,908
Other assets	(1,697)
Accounts and expenses payable	(19,868)
Liabilities payable, restricted	(6,926)
Other liabilities	8,319
Net cash provided by operating activities	\$ 150,343
Non-cash activity:	
Contribution of capital assets from developers	\$ 5,367

JEA Board of Directors Meeting December 15, 2015 - III. A. Consent Agenda

JEA

Page 17

Combining Statement of Cash Flows
(in thousands - unaudited) for the two month(s) ended November 30, 2014 restated

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Inter- company transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operations:								
Receipts from customers	\$ 227,827	\$ 56,751	\$ (25,183)	\$ 259,395	\$ 65,009	\$ 1,632	\$ (2,973)	\$ 323,063
Other receipts	4,457	-	-	4,457	1,846	-	(418)	5,885
Payments to suppliers	(99,143)	(59,191)	25,183	(133,151)	(11,576)	(796)	3,391	(142,132)
Payments to employees	(23,603)	(3,863)	-	(27,466)	(8,925)	(82)	-	(36,473)
Net cash provided by / (used in) operating activities	109,538	(6,303)	-	103,235	46,354	754	-	150,343
Noncapital and related financing activities:								
Contribution to General Fund, City of Jacksonville, Florida	(14,786)	-	-	(14,786)	(3,642)	-	-	(18,428)
Net cash used in noncapital financing activities	(14,786)	-	-	(14,786)	(3,642)	-	-	(18,428)
Capital and related financing activities:								
Acquisition and construction of capital assets	(17,369)	-	-	(17,369)	(15,257)	(26)	-	(32,652)
Proceeds from sales of property	31	-	-	31	13	-	-	44
Debt issue costs and discounts	-	(3)	-	(3)	(137)	-	-	(140)
Defeasance of debt	-	1	-	1	2	-	-	3
Repayment of debt principal	(78,615)	(132,085)	-	(210,700)	(44,325)	(1,605)	-	(256,630)
Interest paid on debt	(49,342)	(14,586)	-	(63,928)	(31,564)	(708)	-	(96,200)
Contribution from developers and others	-	-	-	-	3,142	-	-	3,142
Net cash used in capital and related financing activities	(145,295)	(146,673)	-	(291,968)	(88,126)	(2,339)	-	(382,433)
Investing activities:								
Purchase of investments	(134,137)	(122,776)	-	(256,913)	(114,924)	-	-	(371,837)
Proceeds from sale and maturities of investments	95,003	76,189	-	171,192	49,776	-	-	220,968
Investment income	757	256	-	1,013	253	1	-	1,267
Distributions from The Energy Authority	(138)	-	-	(138)	-	-	-	(138)
Net cash used in investing activities	(38,515)	(46,331)	-	(84,846)	(64,895)	1	-	(149,740)
Net change in cash and cash equivalents	(89,058)	(199,307)	-	(288,365)	(110,309)	(1,584)	-	(400,258)
Cash and cash equivalents at October 1, 2014	177,432	267,940	-	445,372	135,920	8,330	-	589,622
Cash and cash equivalents at November 30, 2014	\$ 88,374	\$ 68,633	\$ -	\$ 157,007	\$ 25,611	\$ 6,746	\$ -	\$ 189,364
Reconciliation of operating income to net cash provided by operating activities:								
Operating Income:	\$ 44,758	\$ 6,028	\$ -	\$ 50,786	\$ 21,005	\$ 336	\$ -	\$ 72,127
Adjustments to reconcile operating income to net cash provided by operating activities:								
Depreciation and amortization	33,264	7,126	-	40,390	21,925	379	-	62,694
Recognition of deferred costs and revenues, net	(625)	(1,145)	-	(1,770)	(14)	-	-	(1,784)
Changes in noncash assets and noncash liabilities:								
Accounts receivable	24,808	(463)	-	24,345	(937)	31	-	23,439
Accounts receivable, restricted	(228)	-	-	(228)	359	-	-	131
Inventories	1,961	11,888	-	13,849	59	-	-	13,908
Other assets	(1,221)	-	-	(1,221)	(476)	-	-	(1,697)
Accounts and expenses payable	1,492	(22,598)	-	(21,106)	1,234	4	-	(19,868)
Liabilities payable, restricted	-	(6,926)	-	(6,926)	-	-	-	(6,926)
Other liabilities	5,329	(213)	-	5,116	3,199	4	-	8,319
Net cash provided by operating activities	\$ 109,538	\$ (6,303)	\$ -	\$ 103,235	\$ 46,354	\$ 754	\$ -	\$ 150,343
Non-cash activity:								
Contribution of capital assets from developers	\$ -	\$ -	\$ -	\$ -	\$ 5,367	\$ -	\$ -	\$ 5,367

JEA
Electric System

Page 18

Changes in Debt Service, R & R and Construction Funds
(in thousands - unaudited) for the two month(s) ended November 30, 2015 and November 30, 2014 restated

	November 30, 2015			November 30, 2014		
	Debt service funds	Renewal and replacement funds	Construction funds	Debt service funds	Renewal and replacement funds	Construction funds
Beginning balance	\$ 211,749	\$ 148,459	\$ 4	\$ 194,776	\$ 148,110	\$ 43
Transfer from:						
Revenue fund	31,202	26,452	4	31,916	24,706	-
Proceeds from property sales	-	69	-	-	31	-
Total additions	31,202	26,521	4	31,916	24,737	-
Deductions:						
Increase in utility plant	-	9,406	1	-	11,683	3
Interest/principal payments from sinking funds	142,390	-	-	125,226	-	-
Decrease in accounts payable	-	12,517	4	-	5,662	11
Loss from property sales	-	-	-	-	-	-
Total deductions	142,390	21,923	5	125,226	17,345	14
Ending balance	\$ 100,561	\$ 153,057	\$ 3	\$ 101,466	\$ 155,502	\$ 29

Renewal and replacement fund:

Cash & investments	\$ 151,610	\$ 154,074
Accounts / notes receivable:		
Accounts receivable	1,345	1,270
Street light & other customer loans	102	158
	<u>\$ 153,057</u>	<u>\$ 155,502</u>

Construction fund:

Generation projects	\$ 4	\$ 4
T& D and other capital projects	(1)	24
Accounts receivable	-	1
	<u>\$ 3</u>	<u>\$ 29</u>

JEA Board of Directors Meeting December 15, 2015 - III. A. Consent Agenda

JEA

Page 19

Water and Sewer System

Changes in Debt Service, R & R and Construction Funds

(in thousands - unaudited) for the two month(s) ended November 30, 2015 and November 30, 2014 restated

	November 30, 2015				November 30, 2014			
	Debt Service Funds	Renewal and Replacement Funds	Construction Funds	Environmental Fund	Debt Service Funds	Renewal and Replacement Funds	Construction Funds	Environmental Fund
Beginning balance	\$ 176,569	\$ 149,130	\$ 664	\$ -	\$ 191,848	\$ 142,417	\$ 670	\$ -
Additions:								
Transfer from:								
Revenue fund	16,038	25,499	-	3,612	17,253	21,737	-	3,481
Proceeds from property sales	-	48	-	-	-	43	-	-
Contribution in aid of construction	-	2,601	-	-	-	3,142	-	-
Total additions	16,038	28,148	-	3,612	17,253	24,892	-	3,481
Deductions:								
Increase in utility plant	-	5,425	-	-	-	5,478	-	-
Interest/principal payments from sinking funds	67,723	-	-	-	75,030	-	-	-
Transfer to:								
Revenue fund	-	-	-	3,612	-	-	-	14
Decrease in accounts payable	-	12,138	-	-	-	9,782	-	-
Total deductions	67,723	17,563	-	3,612	75,030	15,260	-	14
Ending balance	\$ 124,884	\$ 159,715	\$ 664	\$ -	\$ 134,071	\$ 152,049	\$ 670	\$ 3,467

Recap:

Renewal and replacement fund:

Cash & investments

\$ 157,758

\$ 151,128

Accounts / notes receivable:

Accounts receivable

1,937

896

Notes receivable

20

25

\$ 159,715

\$ 152,049

Construction fund:

Construction reserves

\$ -

\$ -

Accounts receivable

-

-

Project funds

664

670

\$ 664

\$ 670

Environmental fund

Cash & investments

\$ -

3,467

\$ -

\$ 3,467

JEA		Month			Prior Year Month	
Electric System						
Budget vs. Actual	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
November 30, 2015 and 2014	2015-16	2015-16	2015-16	%	2014-15	%
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	\$ 509,884,201	\$ 35,522,617	\$ 34,645,147	-2.47%	38,613,133	-10.28%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	288,573,382	16,603,565	13,187,818		16,775,825	
Fuel Expense - SJRPP	114,020,023	9,599,000	7,650,961		12,101,431	
Other Purchased Power	81,016,238	5,840,685	6,134,564		7,293,635	
Subtotal Energy Expense	483,609,643	32,043,250	26,973,342	15.82%	36,170,891	25.43%
Transfer to (from) Rate Stabilization, Net	25,254,789	-	7,617,618		-	
Fuel Related Uncollectibles	1,019,769	84,981	54,186		50,867	
Total	509,884,201	32,128,231	34,645,147	-7.83%	36,221,757	4.35%
Fuel Balance	-	3,394,386	-		2,391,376	
Nonfuel Related Revenues						
Base Rate Revenues	738,360,001	51,440,071	55,144,770		53,238,266	
Conservation Charge Revenue	989,059	68,906	24,868		18,280	
Environmental Charge Revenue	7,686,000	535,468	563,848		545,723	
Investment Income	3,776,585	314,715	410,307		339,315	
Natural Gas Revenue Pass Through	12,491,417	1,040,951	9,959		-	
Other Revenues	35,447,663	2,953,972	2,287,194		2,154,068	
Total	798,750,725	56,354,083	58,440,945	3.70%	56,295,652	3.81%
Nonfuel Related Expenses						
Non-Fuel O&M	200,567,073	15,853,191	14,465,923		15,112,212	
DSM / Conservation O&M	7,545,897	572,005	494,759		255,875	
Environmental O&M	2,442,000	203,500	(16,945)		6,803	
Net Transfer to Rate Stabilization - DSM	(256,838)	(21,403)	(32,155)		163,434	
Transfer to Environmental Fund/RSF	5,244,000	437,000	580,792		538,920	
Natural Gas Expense Pass Through	12,144,117	1,010,434	20,856		8,253	
Debt Principal - Electric System	89,845,000	7,487,083	8,016,250		7,912,917	
Debt Interest - Electric System	107,287,899	8,940,658	7,996,148		8,610,399	
R&R - Electric System	66,155,208	5,512,934	5,197,867		5,460,179	
Operating Capital Outlay	96,337,682	8,028,140	8,028,140		6,892,829	
City Contribution Expense	91,720,182	7,643,348	7,643,348		7,509,050	
Taxes & Uncollectibles	1,703,452	141,954	102,149		87,133	
Emergency Reserve	5,000,000	-	-		-	
<i>Nonfuel Purchased Power:</i>						
* SJRPP D/S Principal	37,568,750	3,130,729	2,331,563		2,958,177	
* SJRPP D/S Interest	19,174,301	1,597,858	1,430,297		1,695,584	
** Other Non-Fuel Purchased Power	56,272,002	4,689,334	1,718,542		1,989,440	
Total Nonfuel Expenses	798,750,725	65,226,767	57,977,534	11.11%	59,201,205	2.07%
Non-Fuel Balance	-	(8,872,683)	463,411		(2,905,552)	
Total Balance	-	(5,478,297)	463,411		(514,177)	
Total Revenues	1,308,634,926	91,876,700	93,086,092	1.32%	94,908,785	-1.92%
Total Expenses	1,308,634,926	97,354,997	92,622,681	4.86%	95,422,962	2.93%
KWH Sold - Territorial	12,600,000,000	877,816,903	923,705,000	5.23%	895,617,000	3.14%
KWH Sold - Off System	-	-	5,062,000		12,419,000	
	12,600,000,000	877,816,903	928,767,000	5.80%	908,036,000	2.28%

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

JEA		Year-To-Date				Prior Year-To-Date	
Electric System		BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
Budget vs. Actual	ANNUAL BUDGET	2015-16	2015-16	2015-16	%	2014-15	%
November 30, 2015 and 2014	2015-16	2015-16	2015-16	2015-16	%	2014-15	%
Fuel Related Revenues & Expenses							
Fuel Rate Revenues	509,884,201	76,015,524	24,371,727	-67.94%	80,479,660	-69.72%	
Fuel Expense and Purchased Power:							
Fuel Expense - Electric System	288,573,382	34,463,513	31,751,562		39,879,124		
Fuel Expense - SJRPP	114,020,023	20,482,000	16,578,466		23,536,451		
Other Purchased Power	81,016,238	14,607,389	10,398,971		10,261,511		
Subtotal Energy Expense	483,609,643	69,552,903	58,728,998	15.56%	73,677,086	20.29%	
Transfer to (from) Rate Stabilization, Net	25,254,789	-	(34,390,377)		3,999,579		
Fuel Related Uncollectibles	1,019,769	169,961	33,106		117,270		
Total	509,884,201	69,722,864	24,371,727	65.04%	77,793,935	68.67%	
Fuel Balance	-	6,292,660	-		2,685,726		
Nonfuel Related Revenues							
Base Rate Revenues	738,360,001	110,077,587	110,255,554		110,991,200		
Conservation Charge Revenue	989,059	147,453	62,853		58,157		
Environmental Charge Revenue	7,686,000	1,145,859	1,147,869		1,137,752		
Investment Income	3,776,585	629,431	893,876		680,081		
Natural Gas Revenue Pass Through	12,491,417	2,081,903	17,563		-		
Other Revenues	35,447,663	5,907,944	5,040,508		5,263,505		
Total	798,750,725	119,990,176	117,418,222	-2.14%	118,130,695	-0.60%	
Nonfuel Related Expenses							
Non-Fuel O&M	200,567,073	32,585,722	26,569,287		28,450,073		
DSM / Conservation O&M	7,545,897	1,144,010	582,209		339,705		
Environmental O&M	2,442,000	407,000	(63,044)		82,703		
Net Transfer to Rate Stabilization - DSM	(256,838)	(42,806)	429,240		639,554		
Transfer to Environmental Fund/RSF	5,244,000	874,000	1,210,913		1,055,049		
Natural Gas Expense Pass Through	12,144,117	2,020,868	41,991		8,253		
Debt Principal - Electric System	89,845,000	14,974,167	16,032,500		15,825,833		
Debt Interest - Electric System	107,287,899	17,881,317	16,026,149		17,185,940		
R&R - Electric System	66,155,208	11,025,868	10,395,733		10,920,358		
Operating Capital Outlay	96,337,682	16,056,280	16,056,280		13,785,658		
City Contribution Expense	91,720,182	15,286,698	15,286,697		15,018,100		
Taxes & Uncollectibles	1,703,452	283,909	231,129		195,730		
Emergency Reserve	5,000,000	-	-		-		
<i>Nonfuel Purchased Power:</i>							
* SJRPP D/S Principal	37,568,750	6,261,458	4,663,125		5,916,354		
* SJRPP D/S Interest	19,174,301	3,195,717	2,860,595		3,391,169		
** Other Non-Fuel Purchased Power	56,272,002	9,378,667	6,626,212		4,718,835		
Total Nonfuel Expenses	798,750,725	131,332,873	116,949,015	10.95%	117,533,314	0.50%	
Non-Fuel Balance	-	(11,342,697)	469,207		597,381		
Total Balance	-	(5,050,038)	469,207		3,283,106		
Total Revenues	1,308,634,926	196,005,700	141,789,949	-27.66%	198,610,355	-28.61%	
Total Expenses	1,308,634,926	201,055,737	141,320,742	29.71%	195,327,249	27.65%	
KWH Sold - Territorial	12,600,000,000	1,878,457,110	1,876,220,000	-0.12%	1,867,212,000	0.48%	
KWH Sold - Off System	-	-	11,230,000		28,434,000		
	12,600,000,000	1,878,457,110	1,887,450,000	0.48%	1,895,646,000	-0.43%	

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

JEA Water and Sewer System		Month			Prior Year Month	
Budget vs. Actual November 30, 2015 and 2014	ANNUAL BUDGET 2015-16	BUDGET 2015-16	ACTUAL 2015-16	Variance %	ACTUAL 2014-15	Variance %
REVENUES						
Water & Sewer Revenues	\$ 393,928,271	\$ 31,399,605	\$ 29,806,527		\$ 30,429,058	
Capacity & Extension Fees	17,000,000	1,416,667	1,058,203		1,522,119	
Investment Income	2,759,926	229,994	231,200		254,022	
Other Income	14,769,077	5,100,282	1,494,771		891,490	
Total	428,457,274	38,146,548	32,590,701	-14.56%	33,096,689	-1.53%
EXPENSES						
O & M Expenses	138,367,616	11,188,288	9,799,969		10,445,742	
Debt Principal - Water & Sewer	33,875,000	2,822,917	2,822,916		3,015,000	
Debt Interest - Water & Sewer	75,780,149	6,315,012	5,564,382		5,919,311	
R&R - Water & Sewer	20,825,400	1,735,450	1,735,450		1,722,504	
Operating Capital Outlay	97,524,604	8,029,307	8,029,307		6,863,176	
Operating Capital Outlay - Capacity/Extension	17,000,000	1,416,667	1,058,203		1,522,119	
Operating Capital Outlay - Environmental	20,758,150	1,729,846	1,658,194		1,613,508	
City Contribution Expense	22,467,356	1,872,280	1,872,280		1,798,245	
Uncollectibles & Fees	858,999	71,583	50,000		50,463	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	428,457,274	35,181,350	32,590,701	7.36%	32,950,068	1.09%
Total Balance	\$ -	\$ 2,965,198	\$ -		\$ 146,621	
Sales kgals						
Water	34,650,000	2,677,712	2,640,892	-1.38%	2,596,729	1.70%
Sewer	26,985,000	1,956,432	1,784,646	-8.78%	1,889,368	-5.54%
Total	61,635,000	4,634,144	4,425,538	-4.50%	4,486,097	-1.35%

		Year-To-Date			Prior Year to Date	
	ANNUAL BUDGET 2015-16	BUDGET 2015-16	ACTUAL 2015-16	Variance %	ACTUAL 2014-15	Variance %
REVENUES						
Water & Sewer Revenues	\$ 393,928,271	\$ 64,564,327	\$ 65,030,139		\$ 64,450,221	
Capacity & Extension Fees	17,000,000	2,833,333	2,600,733		3,142,067	
Investment Income	2,759,926	459,988	438,125		493,933	
Other Income	14,769,077	5,867,590	2,869,298		1,846,584	
Total	428,457,274	73,725,238	70,938,295	-3.78%	69,932,805	1.44%
EXPENSES						
O & M Expenses	138,367,616	22,396,147	18,477,788		19,841,960	
Debt Principal - Water & Sewer	33,875,000	5,645,833	5,645,833		6,030,000	
Debt Interest - Water & Sewer	75,780,149	12,630,025	11,142,556		11,866,967	
R&R - Water & Sewer	20,825,400	3,470,900	3,470,900		3,445,008	
Operating Capital Outlay	97,524,604	22,029,308	22,029,307		18,291,193	
Operating Capital Outlay - Capacity/Extension	17,000,000	2,833,333	2,600,733		3,142,067	
Operating Capital Outlay - Environmental	20,758,150	3,459,692	3,499,701		3,467,033	
City Contribution Expense	22,467,356	3,744,559	3,744,559		3,596,490	
Uncollectibles & Fees	858,999	143,166	109,847		105,463	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	428,457,274	76,352,963	70,721,224	7.38%	69,786,181	-1.34%
Total Balance	\$ -	\$ (2,627,725)	\$ 217,071		\$ 146,624	
Sales kgals						
Water	34,650,000	5,681,666	5,761,677	1.41%	5,647,850	2.02%
Sewer	26,985,000	4,314,809	4,331,842	0.39%	4,338,585	-0.16%
Total	61,635,000	9,996,475	10,093,519	0.97%	9,986,435	1.07%

JEA District Energy System		Month			Prior Year Month	
Budget vs. Actual November 30, 2015 and 2014	ANNUAL BUDGET 2015-16	BUDGET 2015-16	ACTUAL 2015-16	Variance %	ACTUAL 2014-15	Variance %
REVENUES						
Revenues	\$ 9,089,118	\$ 788,952	\$ 583,324		\$ 760,895	
Investment Income	-	-	388		408	
Total	<u>9,089,118</u>	<u>788,952</u>	<u>583,712</u>	-26.01%	<u>761,303</u>	-23.33%
EXPENSES						
O & M Expenses	5,175,137	389,652	386,138		373,111	
Debt Principal - DES	1,625,000	135,417	135,417		134,167	
Debt Interest - DES	1,398,980	116,582	116,582		117,442	
R&R - DES	457,185	38,099	36,596		36,229	
Operating Capital Outlay	432,816	36,068	-		-	
Total Expenses	<u>9,089,118</u>	<u>715,818</u>	<u>674,733</u>	5.74%	<u>660,949</u>	-2.09%
Total Balance	<u>\$ -</u>	<u>\$ 73,134</u>	<u>\$ (91,021)</u>		<u>\$ 100,354</u>	

	ANNUAL BUDGET 2015-16	BUDGET 2015-16	ACTUAL 2015-16	Variance %	ACTUAL 2014-15	Variance %
REVENUES						
Revenues	\$ 9,089,118	\$1,665,133	\$ 1,395,492		\$ 1,601,247	
Investment Income	-	-	838		783	
Total	<u>9,089,118</u>	<u>1,665,133</u>	<u>1,396,330</u>	-16.14%	<u>1,602,030</u>	-12.84%
EXPENSES						
O & M Expenses	5,175,137	848,209	607,741		884,414	
Debt Principal - DES	1,625,000	270,833	270,833		268,333	
Debt Interest - DES	1,398,980	233,163	233,163		234,883	
R&R - DES	457,185	76,198	73,192		72,458	
Operating Capital Outlay	432,816	72,136	-		-	
Total Expenses	<u>9,089,118</u>	<u>1,500,539</u>	<u>1,184,929</u>	21.03%	<u>1,460,088</u>	18.85%
Total Balance	<u>\$ -</u>	<u>\$ 164,594</u>	<u>\$ 211,401</u>		<u>\$ 141,942</u>	

JEA

Page 24

**Electric System
Schedules of Debt Service Coverage
(in thousands - unaudited)**

	Month November		Year-To-Date November	
	2015	2014 restated	2015	2014 restated
Revenues:				
Electric	\$ 86,648	\$ 96,139	\$ 175,862	\$ 197,324
Investment income (1)	288	214	650	433
Earnings from The Energy Authority	297	(206)	208	(41)
Other, net (2)	1,975	1,876	4,410	4,677
Total revenues	89,208	98,023	181,130	202,393
Operating expenses (3):				
Fuel	13,188	16,776	31,752	39,879
Purchased power (4)	19,703	26,227	41,658	48,670
Other operations and maintenance	13,805	14,102	26,263	27,780
State utility taxes and franchise fees	4,451	4,170	7,214	9,780
Total operating expenses	51,147	61,275	106,887	126,109
Net revenues	\$ 38,061	\$ 36,748	\$ 74,243	\$ 76,284
Debt service:	\$ 6,525	\$ 6,947	\$ 13,055	\$ 13,897
Less: investment income on sinking fund	(126)	(130)	(252)	(261)
Less: Build America Bonds subsidy	(126)	(126)	(253)	(252)
Debt service requirement	\$ 6,273	\$ 6,691	\$ 12,550	\$ 13,384
Senior debt service coverage (5), (min 1.20x)	6.07 x	5.49 x	5.92 x	5.70 x
Net revenues (from above):	\$ 38,061	\$ 36,748	\$ 74,243	\$ 76,284
Debt service requirement (from above):	\$ 6,273	\$ 6,691	\$ 12,550	\$ 13,384
Plus: aggregate subordinated debt service on outstanding subordinated bonds	8,177	8,193	16,353	16,386
Less: Build America Bonds subsidy	(174)	(174)	(347)	(348)
Total debt service requirement and aggregate subordinated debt service	\$ 14,276	\$ 14,710	\$ 28,556	\$ 29,422
Senior and subordinated debt service coverage (6), (min 1.15x)	2.67 x	2.50 x	2.60 x	2.59 x
Fixed charge coverage (7)	1.86 x	1.72 x	1.81 x	1.79 x

- (1) Excludes investment income on sinking funds.
- (2) Excludes the Build America Bonds subsidy.
- (3) Excludes depreciation.
- (4) In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to the SJRPP and Bulk Power Supply System with respect to the use by the Electric System of the capacity and output of the SJRPP and Bulk Power Systems are reflected as a purchased power expense on these schedules. These schedules do not include revenues of the SJRPP and Bulk Power Supply System, except that the purchased power expense is net of interest income on funds maintained under the SJRPP and Bulk Power Supply System resolutions.
- (5) Net revenues divided by debt service requirement. Minimum annual coverage is 1.20x.
- (6) Net revenues divided by total debt service requirement and aggregate subordinated debt service. Minimum annual coverage is 1.15x.
- (7) Net revenues plus JEA's share of SJRPP's and Bulk Power Supply System's debt service less city contribution divided by the sum of the adjusted debt service requirement and JEA's share of SJRPP's and Bulk Power Supply System's debt service.

JEA

Page 25

**Bulk Power Supply System
Schedules of Debt Service Coverage
(in thousands - unaudited)**

	Month November		Year-To-Date November	
	2015	2014 restated	2015	2014 restated
Revenues:				
JEA	\$ 4,266	\$ 5,111	\$ 11,378	\$ 9,441
Investment income	10	9	20	17
Total revenues	4,276	5,120	11,398	9,458
Operating expenses (1):				
Fuel	2,500	3,173	5,157	5,381
Other operations and maintenance	1,056	1,064	2,092	2,218
Total operating expenses	3,556	4,237	7,249	7,599
Net revenues	\$ 720	\$ 883	\$ 4,149	\$ 1,859
Aggregate Debt Service	\$ 897	\$ 817	\$ 1,793	\$ 1,633
Less: Build America Bonds subsidy	(61)	(64)	(123)	(127)
Aggregate debt service	\$ 836	\$ 753	\$ 1,670	\$ 1,506
Debt service coverage (2)	0.86 x	1.17 x	2.48 x	1.23 x

(1) Excludes all current expenses paid or accrued to the extent that such expenses are to be paid from revenues.

(2) Net revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

JEA

Page 26

**St. Johns River Power Park System
Schedule of Debt Service Coverage - 1st Resolution
(in thousands - unaudited)**

	Month November		Year-To-Date November	
	2015	2014 restated	2015	2014 restated
Revenues:				
JEA	\$ 9,728	\$ 14,355	\$ 21,233	\$ 28,600
FPL	11,547	12,337	24,316	24,367
Investment income	332	287	650	614
Total revenues	21,607	26,979	46,199	53,581
Operating expenses (1):				
Fuel	14,399	19,618	30,994	37,913
Other operations and maintenance	2,321	2,390	5,431	5,725
Total operating expenses	16,720	22,008	36,425	43,638
Net revenues	\$ 4,887	\$ 4,971	\$ 9,774	\$ 9,943
Aggregate debt service	\$ 4,344	\$ 4,419	\$ 8,687	\$ 8,838
Debt service coverage (2)	1.13 x	1.12 x	1.13 x	1.13 x

(1) Excludes depreciation.

(2) Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.25x.

JEA

**St. Johns River Power Park System
Schedule of Debt Service Coverage - 2nd Resolution
(in thousands - unaudited)**

	Month November		Year-To-Date November	
	2015	2014 restated	2015	2014 restated
Revenues	\$ 1,047	\$ 1,892	\$ 2,094	\$ 3,784
Operating expenses	-	-	-	-
Net revenues	\$ 1,047	\$ 1,892	\$ 2,094	\$ 3,784
Aggregate debt service	\$ 1,081	\$ 1,926	\$ 2,162	\$ 3,852
Less: Build America Bonds subsidy	(34)	(34)	(68)	(68)
Aggregate debt service	\$ 1,047	\$ 1,892	\$ 2,094	\$ 3,784
Debt service coverage (1)	1.00 x	1.00 x	1.00 x	1.00 x

(1) Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.15x.

JEA

Page 27

**Water and Sewer System
Schedule of Debt Service Coverage
(in thousands - unaudited)**

	Month November		Year-To-Date November	
	2015	2014 restated	2015	2014 restated
Revenues:				
Water	\$ 12,251	\$ 12,186	\$ 25,142	\$ 24,837
Water capacity fees (1)	396	500	960	1,116
Sewer	16,559	17,300	37,841	37,628
Sewer capacity fees (1)	663	1,022	1,641	2,026
Investment Income	235	259	445	505
Other (2)	1,284	687	2,446	1,429
Total revenues	31,388	31,954	68,475	67,541
Operating & Maintenance Expenses:				
Operations and maintenance (3)	10,076	10,585	19,879	21,230
Total operating expenses	10,076	10,585	19,879	21,230
Net revenues	\$ 21,312	\$ 21,369	\$ 48,596	\$ 46,311
Aggregate debt service:				
Aggregate debt service:	\$ 7,083	\$ 7,643	\$ 14,166	\$ 15,285
Less: Build America Bonds subsidy	(209)	(207)	(417)	(415)
Aggregate debt service:	\$ 6,874	\$ 7,436	\$ 13,749	\$ 14,870
Senior debt service coverage (4), (min 1.25x)	3.10 x	2.87 x	3.53 x	3.11 x
Net revenues (from above)	\$ 21,312	\$ 21,369	\$ 48,596	\$ 46,311
Aggregate debt service (from above)				
Aggregate debt service (from above)	\$ 6,874	\$ 7,436	\$ 13,749	\$ 14,870
Plus: aggregate subordinated debt service on outstanding subordinated debt	1,028	1,018	2,057	2,036
Total aggregate debt service and aggregate subordinated debt service	\$ 7,902	\$ 8,454	\$ 15,806	\$ 16,906
Senior and subordinated debt service coverage (5)	2.70 x	2.53 x	3.07 x	2.74 x
Fixed charge coverage	2.46 x	2.32 x	2.84 x	2.53 x

- (1) Effective October 1, 2001, the Water and Sewer Bond Resolution was amended to include capacity fees in total revenues. Had such capacity fees not been included in the calculation for the year-to-date periods ending November 2015 and 2014, then the debt service coverage would have been 2.91x and 2.55x.
- (2) Excludes the Build America Bonds subsidy.
- (3) Excludes depreciation.
- (4) Net revenues divided by aggregate debt service. Minimum annual coverage is 1.25x.
- (5) Net revenues divided by total aggregate debt service and aggregate subordinated debt service. Minimum annual coverage is either 1.00x aggregate debt service and aggregate subordinated debt service (excluding capacity charges) or the sum of 1.00x aggregate debt service and 1.20x aggregate subordinated debt service (including capacity charges). Based on the first requirement, minimum annual coverage is 2.91x and 2.55x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or \$16,217 and \$17,313 for the year-to-date period ending November 2015 and 2014.

JEA

Page 28

**District Energy System
Schedule of Debt Service Coverage
(in thousands - unaudited)**

	Month November		Year-To-Date November	
	2015	2014 restated	2015	2014 restated
Revenues:				
Service revenues	\$ 583	\$ 761	\$ 1,395	\$ 1,601
Investment income	-	-	1	1
Total revenues	583	761	1,396	1,602
Operating expenses	386	375	609	886
Net revenues	\$ 197	\$ 386	\$ 787	\$ 716
Aggregate debt service (2)	\$ 252	\$ 252	\$ 504	\$ 503
Debt service coverage (3) (min 1.15x)	0.78 x	1.53 x	1.56 x	1.42 x

(1) Excludes depreciation.

(2) On June 19, 2013, the closing date of the District Energy System Refunding Revenue Bonds, 2013 Series A, the JEA covenanted to deposit into the 2013 Series A Bonds Subaccount from Available Water and Sewer System Revenues an amount equal to the Aggregate DES Debt Service Deficiency that exists with respect to the 2013 Series A Bonds, in the event that the amount on deposit in the Debt Service Account in the Debt Service Fund in accordance with the District Energy System Resolution is less than Accrued Aggregate Debt Service as of the last Business Day of the then current month.

(3) Net Revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

JEA Board of Directors Meeting December 15, 2015 - III. A. Consent Agenda

JEA

Page 29

Electric System, St. Johns River Power Park System and Scherer
Principal Amount of Debt Outstanding and Average Interest Rates
November 30, 2015

Schedule of Outstanding Indebtedness

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Electric System - Fixed Rate Bonds				
Series Three 2004 A	5.000%	2039	\$ 5,000	\$ -
Series Three 2005 B	4.750%	2033	100,000	-
Series Three 2009 C	5.000%	2016-2017	15,730,000	12,375,000
Series Three 2009 D	6.056%	2033-2044	45,955,000	-
Series Three 2010 A	4.000%	2016-2020	24,960,000	4,835,000
Series Three 2010 C	4.000 - 4.500%	2021-2031	11,420,000	-
Series Three 2010 D	4.000 - 5.000%	2016-2038	92,100,000	5,265,000
Series Three 2010 E	5.350 - 5.482%	2028-2040	34,255,000	-
Series Three 2012A	4.000 - 4.500%	2023-2033	60,750,000	-
Series Three 2012B	2.000 - 5.000%	2016-2039	133,390,000	620,000
Series Three 2013A	2.500 - 5.000%	2016-2026	111,130,000	7,860,000
Series Three 2013B	1.875 - 5.000%	2021-2038	7,600,000	-
Series Three 2013C	3.000 - 5.000%	2016-2030	30,940,000	2,255,000
Series Three 2014A	2.600 - 5.000%	2016-2034	47,565,000	1,855,000
Series Three 2015A	2.500 - 5.000%	2016-2041	81,810,000	135,000
Series Three 2015B	2.000 - 5.000%	2016-2031	42,355,000	6,350,000
Total Fixed Rate Senior Bonds			740,065,000	41,550,000
2009 Series A	5.625%	2029-2032	21,140,000	-
2009 Series D	5.000%	2017-2018	23,925,000	-
2009 Series E	4.000%	2016-2018	4,065,000	1,850,000
2009 Series F	4.125 - 6.406%	2016-2034	65,600,000	930,000
2009 Series G	4.000 - 5.000%	2016-2021	22,975,000	4,675,000
2010 Series A	3.000 - 5.000%	2016-2017	4,960,000	4,250,000
2010 Series B	3.000 - 5.000%	2016-2024	35,380,000	855,000
2010 Series C	3.125 - 4.000%	2020-2027	15,925,000	-
2010 Series D	3.500 - 5.822%	2017-2027	45,575,000	-
2010 Series E	4.000%	2016	4,505,000	4,505,000
2012 Series A	3.000 - 5.000%	2016-2033	110,780,000	2,715,000
2012 Series B	2.250 - 5.000%	2016-2037	105,800,000	2,355,000
2013 Series A	2.500 - 5.000%	2017-2030	59,330,000	-
2013 Series B	2.500 - 5.000%	2016-2026	41,215,000	10,085,000
2013 Series C	1.375 - 5.000%	2016-2038	88,605,000	590,000
2013 Series D	2.625 - 5.250%	2016-2035	145,055,000	9,360,000
2014 Series A	3.000 - 5.000%	2016-2039	223,770,000	9,330,000
Total Fixed Rate Subordinated Bonds			1,018,605,000	51,500,000
Total Fixed Rate Electric System Bonds/4.561%			1,758,670,000	93,050,000
Electric System - Variable Rate Bonds				
	Current Interest Rates (1)			
Series Three 2008 A	0.010%	2027-2036	51,680,000	-
Series Three 2008 B-1	0.410%	2016-2040	60,745,000	350,000
Series Three 2008 B-2	0.010%	2025-2040	41,900,000	-
Series Three 2008 B-3	0.010%	2024-2036	37,000,000	-
Series Three 2008 B-4	0.410%	2016-2036	50,185,000	375,000
Series Three 2008 C-1	0.010%	2024-2034	44,145,000	-
Series Three 2008 C-2	0.010%	2024-2034	43,900,000	-
Series Three 2008 C-3	0.060%	2030-2038	25,000,000	-
Series Three 2008 D-1	0.410%	2016-2036	113,840,000	2,420,000
Total Variable Rate Senior Bonds			468,395,000	3,145,000
Series 2000 A	0.040%	2021-2035	30,965,000	-
Series 2000 F-1	0.030%	2026-2030	37,200,000	-
Series 2000 F-2	0.035%	2026-2030	24,800,000	-
Series 2008 D	0.010%	2024-2038	39,455,000	-
Total Variable Rate Subordinated Bonds			132,420,000	-
Total Variable Rate Bonds			600,815,000	3,145,000
Total Electric System Bonds			2,359,485,000	96,195,000
St. Johns River Power Park - Fixed Rate Bonds				
Issue 2 Series 17	4.700%	2019	100,000	-
Issue 2 Series 18	4.500%	2018	50,000	-
Issue 2 Series 19	4.600%	2017	100,000	-
Issue 2 Series 20	4.500%	2021	100,000	-
Issue 2 Series 21	5.000%	2021	5,000	-
Issue 2 Series 22	4.000%	2019	5,000	-
Issue 2 Series 23	3.000 - 5.000%	2017-2021	64,910,000	-
Issue 2 Series 24	4.000%	2017-2021	29,625,000	-
Issue 2 Series 25	3.000 - 5.000%	2016-2021	42,195,000	42,150,000
Issue 2 Series 26	2.000 - 5.000%	2019-2021	65,970,000	-
Issue 2 Series 27	1.888 - 2.505%	2019-2021	7,025,000	-
Issue 3 Series 1	4.500%	2037	100,000	-
Issue 3 Series 2	5.000%	2034-2037	29,370,000	-
Issue 3 Series 4	3.875 - 5.450%	2016-2028	25,720,000	1,635,000
Issue 3 Series 6	2.375 - 5.000%	2019-2037	91,330,000	-
Issue 3 Series 7	2.000 - 5.000%	2019-2033	79,500,000	-
Issue 3 Series 8	2.000 - 5.000%	2019-2039	57,895,000	-
Total Fixed Rate St. Johns River Power Park Bonds/4.120%			494,000,000	43,785,000
Bulk Power Supply System, Scherer 4 Project - Fixed Rate Bonds				
Series 2010A	3.900 - 5.920%	2016-2030	42,785,000	2,910,000
Series 2014A	2.000 - 5.000%	2016-2038	69,185,000	3,135,000
Total Fixed Rate Bulk Power Supply System Bonds/4.293%			111,970,000	6,045,000
Weighted Average Cost(2) / Total Outstanding Debt		3.257%	\$ 2,965,455,000	\$ 146,025,000

(1) Current month interest rate excluding variable debt fees.

(2) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/restructuring fees and interest rate swap payments.

	Electric System	Power Park	Issue Three
• Remaining New Money Authorization	\$ 465,160,992	\$ 103,865,000	
• Remaining Senior Refunding Authorization	\$ 1,239,602,381	\$ 250,810,000	
• Remaining Subordinated Refunding Authorization	\$ 892,378,000	n/a	

JEA

Page 30

Water and Sewer System

Principal Amount of Debt Outstanding and Average Interest Rates

November 30, 2015

Schedule of Outstanding Indebtedness

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2009 Series B	3.750 - 5.000%	2017-2019	\$ 25,565,000	\$ -
2010 Series A	6.210 - 6.310%	2026-2044	83,115,000	-
2010 Series B	4.300 - 5.700%	2016-2025	17,300,000	1,730,000
2010 Series C	4.000 - 5.000%	2016-2020	10,650,000	1,105,000
2010 Series D	4.000 - 5.000%	2017-2039	101,850,000	-
2010 Series E	4.000 - 5.000%	2021-2039	60,990,000	-
2010 Series F	3.200 - 5.887%	2017-2040	45,520,000	-
2010 Series G	3.000%	2016	785,000	785,000
2012 Series A	3.000 - 5.000%	2017-2041	317,935,000	-
2012 Series B	2.000 - 5.000%	2016-2041	131,765,000	1,680,000
2013 Series A	4.000 - 5.000%	2016-2027	91,085,000	1,345,000
2013 Series B	1.286 - 1.882%	2016-2017	16,730,000	12,900,000
2014 Series A	2.000 - 5.000%	2016-2040	289,565,000	4,970,000
Total Fixed Rate Senior Bonds			1,192,855,000	24,515,000
2010 Series A	3.000 - 5.000%	2016-2022	14,065,000	915,000
2010 Series B	3.000 - 5.000%	2020-2025	12,770,000	-
2012 Series A	3.000 - 4.000%	2021-2033	20,320,000	-
2012 Series B	3.250 - 5.000%	2030-2043	41,640,000	-
2013 Series A	2.125 - 5.000%	2016-2029	76,040,000	3,790,000
Total Fixed Rate Subordinated Bonds			164,835,000	4,705,000
Total Fixed Rate Bonds/4.618%			1,357,690,000	29,220,000
Variable Rate Bonds				
	Current Interest Rates (1)			
2006 Series B - CPI Bonds	1.126% (2)	2016-2022	38,730,000	4,105,000
2008 Series A-2	0.010%	2028-2042	51,820,000	-
2008 Series B	0.010%	2023-2041	85,290,000	-
Total Variable Rate Senior Bonds			175,840,000	4,105,000
2008 Series A-1	0.010%	2016-2038	53,500,000	550,000
2008 Series A-2	0.010%	2030-2038	25,600,000	-
2008 Series B-1	0.020%	2030-2036	30,885,000	-
Total Variable Rate Subordinated Bonds			109,985,000	550,000
Total Variable Rate Bonds			285,825,000	4,655,000
Weighted Average Cost(3) / Total Outstanding Debt		3.554%	\$ 1,643,515,000	\$ 33,875,000

(1) Current month interest rate excluding variable debt fees.

(2) Designated swap obligation. The rate shown is the weighted average of the variable CPI Index rates for the 6 month re-set period.

(3) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/remarketing fees and interest rate swap payments.

- Remaining New Money Authorization \$ 218,078,023
- Remaining Refunding Authorization \$ 1,231,973,942

JEA

Page 31

District Energy System

Principal Amount of Debt Outstanding and Average Interest Rates

November 30, 2015

Schedule of Outstanding Indebtedness

Issue/Average Coupon	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2013 Series A/4.036%	1.017 - 4.538%	2016-2034	\$ 39,750,000	\$ 1,625,000
Weighted Average Cost(1) / Total Outstanding Debt		4.041%	\$ 39,750,000	\$ 1,625,000

(1) Weighted Average Cost of debt is net of original issue premiums/discounts.

- Remaining New Money Authorization \$ 54,321,245
- Remaining Refunding Authorization \$ 106,670,000

**JEA
INVESTMENT PORTFOLIO REPORT
November 2015
All Funds**

<u>INVESTMENT</u>	<u>BOOK VALUE</u>	<u>YIELD</u>	<u>% OF TOTAL</u>	<u>LAST MONTH</u>	<u>6 MONTH AVERAGE</u>
* Treasuries	\$ 3,298,969	1.01%	0.26%	0.26%	2.45%
<u>Agencies</u>					
Federal Farm Credit Bank	219,186,616	0.77%	17.32%	17.24%	15.92%
Federal Home Loan Bank	324,967,556	1.00%	25.68%	25.10%	26.90%
Federal National Mortgage Assoc.	9,993,856	0.14%	0.79%	0.79%	0.61%
Total	554,148,028	0.89%	43.80%	43.13%	43.42%
Municipal Bonds	268,836,803	2.12%	21.25%	21.77%	20.11%
Commercial Paper	304,660,050	0.26%	24.08%	23.75%	20.29%
U.S. Treasury Money Market Funds (1)	16,188,893	0.03%	1.28%	1.26%	1.56%
Agency Money Market Funds (2)	12,425,000	0.04%	0.98%	1.61%	1.63%
<u>Wells Fargo Bank Accounts (3)</u>					
Electric, Scherer	46,101,278	0.05%	3.64%	3.94%	5.37%
SJRPP	50,346,918	0.05%	3.98%	3.51%	3.27%
Water & Sewer, DES	9,220,156	0.05%	0.73%	0.78%	1.90%
Total Portfolio	\$ 1,265,226,094	0.91%	100.00%	100.00%	100.00%

* Backed by Full Faith and Credit of U. S. Government
Weighted Avg. Annual Yield for November 2015, Excluding Bank & Money Market Funds: 1.01%

Weighted Avg. Annual Yield for November 2015, Including Bank & Money Market Funds: 0.91%

Some investments listed above may be classified as Cash Equivalents on the Statements of Net Position in accordance with generally accepted accounting principles.

(1) Morgan Stanley Treasury Fund; Fidelity Treasury Fund; Federated Treasury Fund

(2) Morgan Stanley Government Fund, Wells Fargo Government Fund

(3) Month-end bank balances

**JEA
Interest Rate Swap Position Report
November 2015**

JEA Debt Management Swaps Variable to Fixed

ID	Dealer	Effective Date	Terminat'n Date	Electric System Allocation	Water/Sewer Allocation	Fixed Rate	Floating Rate (1)	Spread	Rate Cap	Index	
1	Goldman Sachs	9/18/2003	9/18/2033	\$ 84,800,000	\$ -	3.717	0.131	3.586	n/a	68% 1 mth Libor	
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	0.010	4.341	n/a	SIFMA	
4	JPMorgan	1/27/2005	10/1/2035	86,375,000	-	3.661	0.131	3.530	n/a	68% 1 mth Libor	
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	0.131	3.585	n/a	68% 1 mth Libor	
7	Morgan Stanley	10/31/2006	10/1/2022	-	38,730,000	3.996	1.126	2.870	n/a	CPI	
8	Morgan Stanley	1/31/2007	10/1/2031	62,980,000	-	3.907	0.010	3.897	n/a	SIFMA	
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	0.010	3.885	n/a	SIFMA	
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	0.010	3.826	n/a	SIFMA	
Total				<u>\$ 407,585,000</u>	<u>\$ 124,020,000</u>	Wtd Avg Spread		3.750			

Notes: (1) The "Floating Rate" column is the average of the floating rate for each instrument for this month

**JEA
Electric System
Operating Statistics**

	Month November			Year-To-Date November		
	2015	2014	Variance	2015	2014	Variance
Electric revenue sales (000's omitted):						
Residential	\$ 41,501	\$ 40,220	3.18%	\$ 64,849	\$ 88,265	-26.53%
Commercial	31,993	33,896	-5.61%	50,130	69,396	-27.76%
Industrial	18,078	19,384	-6.74%	23,210	38,381	-39.53%
Public street lighting	1,150	989	16.28%	1,950	2,021	-3.51%
Sales for resale - territorial	2,092	2,080	0.58%	2,882	4,350	-33.75%
Electric revenues - territorial	94,814	96,569	-1.82%	143,021	202,413	-29.34%
Sales for resale - off system	140	394	-64.47%	323	885	-63.50%
Electric revenues	94,954	96,963	-2.07%	143,344	203,298	-29.49%
Less: rate stabilization & recovery	(8,166)	(703)	1061.59%	32,750	(5,695)	-675.07%
Less: allowance for doubtful accounts	(140)	(121)	15.70%	(232)	(279)	-16.85%
Electric revenues - net	86,648	96,139	-9.87%	175,862	197,324	-10.88%
MWh sales:						
Residential	340,228	325,565	4.50%	714,870	714,200	0.09%
Commercial	322,400	313,288	2.91%	652,764	640,047	1.99%
Industrial	231,060	230,422	0.28%	450,162	453,849	-0.81%
Public street lighting	6,192	7,309	-15.28%	12,868	14,914	-13.72%
Sales for resale - territorial	23,825	19,033	25.18%	45,556	44,202	3.06%
Total MWh sales - territorial	923,705	895,617	3.14%	1,876,220	1,867,212	0.48%
Sales for resale - off system	5,062	12,419	-59.24%	11,230	28,434	-60.51%
Total MWh sales	928,767	908,036	2.28%	1,887,450	1,895,646	-0.43%
Number of accounts (1):						
Residential	393,727	386,180	1.95%	393,505	385,902	1.97%
Commercial	51,018	50,380	1.27%	50,985	50,309	1.34%
Industrial	204	213	-4.23%	205	213	-3.76%
Public street lighting	3,615	3,512	2.93%	3,611	3,507	2.97%
Sales for resale	2	2	0.00%	2	2	0.00%
Total average accounts	448,566	440,287	1.88%	448,308	439,933	1.90%
Residential averages:						
Revenue per account - \$	105.41	104.15	1.21%	164.80	228.72	-27.95%
kWh per account	864	843	2.49%	1,817	1,851	-1.84%
Revenue per kWh - ¢	12.20	12.35	-1.21%	9.07	12.36	-26.62%
Degree days:						
Heating degree days	47	263	(216)	54	284	(230)
Cooling degree days	161	31	130	362	200	162
Total degree days	208	294	(86)	416	484	(68)
Degree days - 30 year average		206			431	

(1) The year-to-date column represents a fiscal year-to-date average.

**JEA
Water and Sewer System
Operating Statistics**

	Month November			Year-To-Date November		
	2015	2014	Variance	2015	2014	Variance
Water						
Revenues (000's omitted):						
Residential	\$ 6,765	\$ 6,594	2.59%	\$ 14,111	\$ 13,850	1.89%
Commercial and industrial	3,650	3,591	1.64%	7,740	7,536	2.71%
Irrigation	2,898	3,008	-3.66%	5,449	5,579	-2.33%
Water revenues	13,313	13,193	0.91%	27,300	26,965	1.25%
Less: rate stabilization environmental	(1,042)	(987)	5.58%	(2,114)	(2,086)	1.34%
Less: allowance for doubtful accounts	(20)	(20)	0.00%	(44)	(42)	4.62%
Water revenues, net	\$ 12,251	\$ 12,186	0.53%	\$ 25,142	\$ 24,837	1.23%
Water Sales (kgals*):						
Residential	1,146,462	1,118,610	2.49%	2,600,749	2,553,728	1.84%
Commercial and industrial	996,362	954,633	4.37%	2,251,310	2,150,186	4.70%
Irrigation	498,068	523,483	-4.85%	909,618	943,936	-3.64%
Total kgals sales	2,640,892	2,596,726	1.70%	5,761,677	5,647,850	2.02%
Number of accounts (1):						
Residential	269,314	262,849	2.46%	269,154	262,589	2.50%
Commercial and industrial	24,237	23,838	1.67%	24,219	23,837	1.60%
Irrigation	36,160	35,902	0.72%	36,179	35,894	0.79%
Total average accounts	329,711	322,589	2.21%	329,552	322,320	2.24%
Residential averages:						
Revenue per account - \$	25.12	25.09	0.13%	52.43	52.74	-0.59%
kgals per account	4.26	4.26	0.03%	9.66	9.73	-0.64%
Revenue per kgals - \$	5.90	5.89	0.10%	5.43	5.42	0.05%
Reuse						
Revenues (000's omitted):						
Reuse revenues	\$ 633	\$ 684	-7.46%	\$ 1,307	\$ 1,185	10.30%
Reuse Sales (kgals*):						
Reuse sales (kgals)	144,793	147,320	-1.72%	300,982	313,366	-3.95%
Number of accounts:						
Reuse accounts	6,816	5,410	25.99%	6,745	5,365	25.72%
Sewer						
Revenues (000's omitted):						
Residential	\$ 9,719	\$ 9,619	1.04%	\$ 21,068	\$ 20,870	0.95%
Commercial and industrial	6,906	7,663	-9.88%	16,980	17,031	-0.30%
Sewer revenues	16,625	17,282	-3.80%	38,048	37,901	0.39%
Less: rate stabilization environmental	(669)	(636)	5.15%	(1,448)	(1,395)	3.80%
Less: allowance for doubtful accounts	(30)	(30)	0.00%	(66)	(63)	4.76%
Sewer revenues, net	15,926	16,616	-4.15%	36,534	36,443	0.25%
Sewer Sales (kgals*):						
Residential	951,582	955,889	-0.45%	2,179,893	2,188,348	-0.39%
Commercial and industrial	688,271	786,159	-12.45%	1,850,967	1,836,871	0.77%
Total kgals sales	1,639,853	1,742,048	-5.87%	4,030,860	4,025,219	0.14%
Number of accounts (1):						
Residential	237,064	230,731	2.74%	236,895	230,464	2.79%
Commercial and industrial	17,882	17,698	1.04%	17,879	17,696	1.03%
Total average accounts	254,946	248,429	2.62%	254,774	248,160	2.67%
Residential averages:						
Revenue per account - \$	41.00	41.69	-1.66%	88.93	90.56	-1.79%
kgals per account	4.01	4.14	-3.11%	9.20	9.50	-3.09%
Revenue per kgals - \$	10.21	10.06	1.50%	9.66	9.54	1.34%
*kgals = 1000 gallons						
Rainfall	(YTD IS BASED ON CUMULATIVE FIGURE)			Diff in Inches		Diff in Inches
Normal	2.11	2.11		6.04	6.04	
Actual	3.92	3.96	(0.04)	4.12	5.83	(1.71)
Rain Days	6	4		11	9	

(1) The year-to-date column represents a fiscal year-to-date average.

Electric System

Production Statistics

	Month			Year-To-Date		
	2015	November 2014	Variance	2015	November 2014	Variance
Generated power:						
Steam:						
<i>Fuel oil</i>						
Fuel expense	\$ -	\$ -		\$ (45,016)	\$ -	
Barrels #6 oil consumed	-	-		-	-	
\$/ per barrel consumed	-	-		-	-	
kWh oil generated (1)	-	-		-	-	
Cost per MWh - oil	-	-		-	-	
<i>Natural gas units #1-3</i>						
Gas expense - variable	\$ 76,180	\$ 310,037	-75.43%	\$ 3,479,887	\$ 959,150	262.81% A
MMBTU's consumed	22,050	75,502	-70.80%	1,234,526	216,244	470.89% B
\$/ per MMBTU consumed	\$ 3.45	\$ 4.11	-16.06%	\$ 2.82	\$ 4.44	-36.49% C
kWh - gas generated (1)	2,977,402	3,689,028	-19.29%	113,404,382	13,624,741	732.34%
Cost per MWh - gas	\$ 25.59	\$ 84.04	-69.55%	\$ 30.69	\$ 70.40	-56.41%
Cost per MWh - gas & oil - steam	\$ 25.59	\$ 84.04	-69.55%	\$ 30.29	\$ 70.40	-56.97%
<i>Coal</i>						
Coal expense	\$ 1,250,716	\$ 2,495,832	-49.89%	\$ 3,128,682	\$ 10,395,899	-69.90%
kWh generated	59,480,816	74,125,037	-19.76%	142,405,356	299,999,172	-52.53%
Cost per MWh - coal	\$ 21.03	\$ 33.67	-37.54%	\$ 21.97	\$ 34.65	-36.59%
<i>Pet coke and limestone</i>						
Expense	\$ 2,146,513	\$ 87,416	2355.52%	\$ 5,364,749	\$ 252,414	2025.38%
kWh generated	94,727,059	-	#DIV/0!	227,113,425	-	#DIV/0!
Cost per MWh - pet coke and limestone	\$ 22.66	#DIV/0!	#DIV/0!	\$ 23.62	-	#DIV/0!
Cost per MWh - coal & petcoke - steam	\$ 22.03	\$ 34.85	-36.79%	\$ 22.99	\$ 35.49	-35.22%
Combustion turbine:						
<i>Fuel oil</i>						
Fuel expense	\$ 70,652	\$ 35,227	100.56%	\$ 97,761	\$ 77,198	26.64%
Barrels #2 oil consumed	490	112	337.50%	451	315	43.17%
\$/ per barrel consumed	\$ 144.19	\$ 314.53	-54.16%	\$ 216.76	\$ 245.07	-11.55%
kWh - oil generated	141,698	(791)	-18013.78%	141,067	44,004	220.58%
Cost per MWh - oil	\$ 498.61	\$ (44,534.77)	-101.12%	\$ 693.01	\$ 1,754.34	-60.50%
<i>Natural gas (includes landfill)</i>						
Gas expense Kennedy & landfill - variable	\$ 53,322	\$ 25,165	111.89%	\$ 118,466	\$ 165,441	-28.39%
MMBTU's consumed	24,228	5,808	317.15%	48,279	35,918	34.41%
\$/ per MMBTU consumed	\$ 2.20	\$ 4.33	-49.19%	\$ 2.45	\$ 4.61	-46.85%
kWh - gas generated (1)	1,723,642	85,490	1916.19%	3,464,541	2,119,776	63.44%
Cost per MWh - gas	\$ 30.94	\$ 294.36	-89.49%	\$ 34.19	\$ 78.05	-56.19%
Gas expense BB simple - variable	\$ 316,045	\$ 20,847	1416.02%	\$ 336,044	\$ 88,821	278.34%
MMBTU's consumed	148,993	5,294	2714.37%	163,643	28,154	481.24%
\$/ per MMBTU consumed	\$ 2.12	\$ 3.94	-46.19%	\$ 2.05	\$ 3.15	-34.92%
kWh - gas generated (1)	13,381,869	260,200	5042.92%	14,501,369	2,084,900	595.54%
Cost per MWh - gas simple	\$ 23.62	\$ 80.12	-70.52%	\$ 23.17	\$ 42.60	-45.61%
Gas expense BB combined - variable	\$ 4,899,535	\$ 9,448,148	-48.14%	\$ 9,995,891	\$ 18,862,305	-47.01%
MMBTU's consumed	2,317,951	2,370,065	-2.20%	4,280,983	4,764,213	-10.14%
\$/ per MMBTU consumed	\$ 2.11	\$ 3.99	-47.12%	\$ 2.33	\$ 3.96	-41.16%
kWh - gas generated (1)	335,307,872	337,943,033	-0.78%	607,923,192	675,084,185	-9.95%
Cost per MWh - gas combined	\$ 14.61	\$ 27.96	-47.75%	\$ 16.44	\$ 27.94	-41.16%
Gas expense GEC simple - variable	\$ 336,688	\$ 190,958	76.32%	\$ 642,686	\$ 134,146	379.09%
MMBTU's consumed	151,305	48,361	212.87%	276,593	80,079	245.40%
\$/ per MMBTU consumed	\$ 2.23	\$ 3.95	-43.54%	\$ 2.32	\$ 1.68	38.10%
kWh - gas generated	13,595,746	3,671,323	270.32%	24,402,003	5,935,730	311.10%
Cost per MWh - gas simple	\$ 24.76	\$ 52.01	-52.39%	\$ 26.34	\$ 22.60	16.55%
Cost per MWh - gas & oil ct	\$ 15.59	\$ 28.43	-45.16%	\$ 17.21	\$ 28.20	-38.97%
Natural gas expense - fixed	\$ 2,111,073	\$ 2,499,160	-15.53%	\$ 4,416,986	\$ 4,996,477	-11.60%
Total generated power:						
Fuels expense	\$ 11,260,724	\$ 15,112,790	-25.49%	\$ 27,536,136	\$ 35,931,851	-23.37%
kWh generated	521,336,104	419,773,320	24.19%	1,133,355,335	998,892,508	13.46%
Cost per MWh	\$ 21.60	\$ 36.00	-40.00%	\$ 24.30	\$ 35.97	-32.46%

(1) Allocation of kWh generated is based upon a ratio of gas MBTU's (adjusted to oil equivalent - 95.5%) and oil MBTU's.

Cost of fuels

Fuel oil #6	\$ -	\$ -		\$ (45,016)	\$ -	
Natural gas units #1-3 with landfill - variable	76,180	310,037		3,479,887	959,150	
Coal	1,250,716	2,495,832		3,128,682	10,395,899	
Petcoke	2,146,513	87,416		5,364,749	252,414	
Fuel oil #2	70,652	35,227		97,761	77,198	
Natural gas - simple cycle (BB & GEC) - variable	706,055	236,970		1,097,196	388,408	
Natural gas - combined (BB) - variable	4,899,535	9,448,148		9,995,891	18,862,305	
Natural gas - fixed	2,111,073	2,499,160		4,416,986	4,996,477	
Total	\$ 11,260,724	\$ 15,112,790		\$ 27,536,136	\$ 35,931,851	

JEA
Electric System
Production Statistics (Con't.)

	Month			Year-To-Date		
	2015	November 2014	Variance	2015	November 2014	Variance
Production Statistics (Con't.)						
Purchased power:						
<i>Plant Scherer</i>						
Purchases	\$ 3,431,196	\$ 4,357,875	-21.26%	\$ 9,707,601	\$ 7,934,520	22.35%
kWh purchased	94,733,000	105,878,000	-10.53%	197,325,000	183,964,000	7.26%
Cost per MWh	\$ 36.22	\$ 41.16	-12.00%	\$ 49.20	\$ 43.13	14.06%
<i>TEA & other</i>						
Purchases	\$ 4,662,615	\$ 4,867,528	-4.21%	\$ 6,953,556	\$ 6,843,647	1.61%
kWh purchased	130,168,995	78,977,587	64.82%	174,708,783	103,726,807	68.43%
Cost per MWh	\$ 35.82	\$ 61.63	-41.88%	\$ 39.80	\$ 65.98	-39.68%
<i>SJRPP</i>						
Purchases	\$ 10,774,554	\$ 16,247,489	-33.68%	\$ 23,326,528	\$ 32,384,070	-27.97%
kWh purchased	206,109,000	346,282,000	-40.48%	443,254,000	669,569,000	-33.80%
Cost per MWh	\$ 52.28	\$ 46.92	11.42%	\$ 52.63	\$ 48.37	8.81%
Total purchased power:						
Purchases	\$ 18,868,365	\$ 25,472,892	-25.93%	\$ 39,987,685	\$ 47,162,237	-15.21%
kWh purchased	431,010,995	531,137,587	-18.85%	815,287,783	957,259,807	-14.83%
Cost per MWh	\$ 43.78	\$ 47.96	-8.72%	\$ 49.05	\$ 49.27	-0.45%
Subtotal - generated and purchased power:	\$ 30,129,089	\$ 40,585,682	-25.76%	\$ 67,523,821	\$ 83,094,088	-18.74%
Fuel interchange sales	(140,470)	(393,681)	-64.32%	(323,361)	(885,276)	-63.47%
Earnings of The Energy Authority	(297,066)	206,003	-244.20%	(207,750)	41,253	-603.60%
Realized and Unrealized (Gains) Losses:	421,800	-		560,400	-	
Fuel procurement and handling	775,015	1,036,413	-25.22%	1,519,667	2,037,920	-25.43%
By product reuse	730,280	626,622	16.54%	2,135,357	1,909,352	11.84%
Total generated and net purchased power:						
Cost, net	31,618,648	42,061,039	-24.83%	71,208,134	86,197,337	-17.39%
kWh generated and purchased	952,347,099	950,910,907	0.15%	1,948,643,118	1,956,152,315	-0.38%
Cost per MWh	\$ 33.20	\$ 44.23	-24.94%	\$ 36.54	\$ 44.06	-17.07%
Cost per MWh						
Reconciliation:						
Generated and purchased power per above	\$ 31,618,648	\$ 33.20		\$ 71,208,134	\$ 36.54	
SJRPP operating expenses:						
SJRPP O & M	(1,435,142)	(1.51)		(3,354,589)	(1.72)	
SJRPP debt service	(3,393,570)	(3.56)		(6,818,534)	(3.50)	
SJRPP R & R	1,705,118	1.79		3,425,061	1.76	
SCHERER operating expenses:						
Scherer power production	(554,999)	(0.58)		(1,089,843)	(0.56)	
Scherer R & R	125,073	0.13		(2,458,130)	(1.26)	
Scherer transmission	(419,419)	(0.44)		(838,837)	(0.43)	
Scherer taxes	(81,814)	(0.09)		(163,628)	(0.08)	
Southern capacity	(590,553)	(0.62)		(1,180,636)	(0.61)	
Rounding	-	-		-	-	
	\$ 26,973,342	\$ 28.32		\$ 58,728,998	\$ 30.14	

JEA
Electric System
Purchased Power from SJRPP

	Month		Year-To-Date	
	November		November	
	2015	2014	2015	2014
Fuel costs :	\$ 7,654,281	\$ 12,104,074	\$ 16,585,729	\$ 23,541,705
(Includes fuel handling expenses)				
Less interest credits: inventory bank	(2,958)	(2,593)	(6,821)	(5,191)
Plus (less): true-up interest	(361)	(49)	(441)	(63)
Total	<u>7,650,961</u>	<u>12,101,432</u>	<u>16,578,466</u>	<u>23,536,451</u>
Cost per MWh	\$ 37.12	\$ 34.95	\$ 37.40	\$ 35.15
Operating and maintenance expenses:	1,435,455	1,490,367	3,355,299	3,575,442
Less: operations bank interest	(313)	(289)	(710)	(667)
Total	<u>1,435,142</u>	<u>1,490,078</u>	<u>3,354,589</u>	<u>3,574,775</u>
Cost per MWh	\$ 6.96	\$ 4.30	\$ 7.57	\$ 5.34
Debt service contribution:	P 2,331,563	2,958,177	4,663,126	5,916,354
	I 1,464,488	1,729,591	2,928,976	3,459,183
Less credits:				
Reserve units 1 & 2	(271,839)	(245,326)	(525,519)	(502,404)
Debt service units 1 & 2	(6)	(1)	(64)	(16,843)
Bond proceeds COB	-	(747)	-	(1,782)
General reserve	(14,287)	(2,755)	(28,236)	(4,678)
Build america bonds subsidy	(34,190)	(34,007)	(68,380)	(68,014)
Inventory carrying costs	(58,852)	(58,995)	(116,812)	(117,634)
Total	<u>3,416,875</u>	<u>4,345,937</u>	<u>6,853,090</u>	<u>8,664,182</u>
Cost per MWh	\$ 16.58	\$ 12.55	\$ 15.46	\$ 12.94
R & R contribution:	339,343	345,221	678,686	690,443
Less: interest credit	(42,766)	(35,179)	(88,302)	(81,781)
Less: cumulative capital recovery amount	(2,025,000)	(2,000,000)	(4,050,000)	(4,000,000)
	<u>(1,728,423)</u>	<u>(1,689,958)</u>	<u>(3,459,616)</u>	<u>(3,391,338)</u>
Cost per MWh	\$ (8.39)	\$ (4.88)	\$ (7.81)	\$ (5.06)
Total	<u>\$ 10,774,554</u>	<u>\$ 16,247,489</u>	<u>\$ 23,326,528</u>	<u>\$ 32,384,070</u>
kWh purchased	206,109,000	346,282,000	443,254,000	669,569,000
Cost per MWh	\$ 52.28	\$ 46.92	\$ 52.63	\$ 48.37

JEA Community Engagement Calendar - November 2015 - January 2016

	A	B	C	D	E	F
1	Date	Event/Activity	Location	Time	Type	Opportunity for Public to Attend or Participate
2	Nov-15					
3	11/4 - 14/2015	Annual Holiday Food Drive	JEA downtown tower and offsite locations	All Day	Volunteer Event	Yes
4	11/5/2015	US Navy Electricians	NGS Tour	9am	Ambassador Facility Tour	No
5	11/6/2015	UNF Engineering Students	Tour - SJRPP	12:30pm	Ambassador Facility Tour	No
6	11/7/2015	Main Library Anniversary Celebration	Main Library	10am	Ambassador Event	Yes
7	11/10/2015	Orange Park High	NGS Tour	10am	Ambassador Facility Tour	No
8	11/11/2015	Veterans Day Parade	Downtown Jax	11:01am	Ambassador Event	Yes
9	11/13/2015	FSCJ Student Group	Main St Lab Tour	10am	Ambassador Facility Tour	No
10	11/16/2016	Midtown Tree Planting	4040 Woodcock Dr.	9am	Ambassador Event	Yes
11	11/17/2015	Junior Achievement - Financial Literacy	Fletcher High	8:50am	Ambassador Instructor	No
12	11/17/2015	Mamie Agnes Jones Elementary	700 Orange Avenue Baldwin, FL 32234	6pm	Ambassador Event	Yes
13	11/17/2015	Introduction to Mentoring	Jax Childrens Commission	10am	Ambassador Event	Yes
14	11/19/2015	Feeding NE Florida Food Bank	1116 Edgewood Avenue	8:30 – 11:30 a.m.	Volunteer Project	Yes
15	11/20/2015	Career Fair	Thomas Jefferson Elem.		Ambassador Event	No
16	11/20/2015	Independent Living Program	Emmett Reed Community Center - 1093 W 6th St.	10:30am	Ambassador Speaker	Yes
17	11/24/2015	Junior Achievement - Financial Literacy	Sandlewood High	12:30pm	Ambassador Instructor	No
18	11/24/2015	Salvation Army	900 West Adams Street	8 a.m. – 12:30 p.m.	Volunteer Project	Yes
19	Dec-15					
20	12/2/2015	Ephesus Jr. Academy Tour	Main St Lab Tour	9am	Ambassador Facility Tour	No
21	12/3/2015	CC Brown's Town Hall Meeting	The Legends Center - 5053 Soutel Dr.	6pm	Ambassador Event	Yes

JEA Community Engagement Calendar - November 2015 - January 2016

	A	B	C	D	E	F
	Date	Event/Activity	Location	Time	Type	Opportunity for Public to Attend or Participate
22						
23	12/9/2015	JEA Holiday Toy Drive	All Facilities	All Day	Employee Project	Yes
24	12/9/2015	Career Fair	Northshore Elem.	9am	Ambassador Event	No
25	12/14/2015	Lighthouse Christian School	NGS Tour	9:30am	Ambassador Facility Tour	No
26	12/19/2015	CC Reggie Brown's Community Service Day	The Legends Center - 5053 Soutel Dr.	10am - 3pm	Ambassador Event	Yes
27	Jan-16					
28	1/13/2016	MCCI Medical Group	5238 -16 Norwood Ave	11am	Ambassador Speaker	Yes
29						
30						
31						
32	Feb-15					
33	2/3/2016	UNF Environmental Center	Main St Lab Tour	1:30pm	Ambassador Facility Tour	No
34						
35						



**FY16 Communications & Community Engagement
Overview and November/December Update**

Overview: Each month we update the board on communications and community engagement activities for the previous and current months. We will be glad to provide you additional or different information as you prefer. The purpose is to keep you informed about these activities so that you are knowledgeable about JEA's efforts to keep our customers informed, to assist them in the management of their utility services and to be a good corporate citizen.

Communications: In November, we recognized the military influence and large number of veterans in our community by featuring, as the lead story on our bill insert, the more than 400 veterans who are employees at JEA. We also featured our veterans through social media. In the December bill insert, we reminded customers about our Neighbor to Neighbor program that provides utility bill assistance to customers when they find themselves in financial crisis because of a life change or illness. Other communications included holiday tips for savings and safety, proper disposal of fats, oils and greases to protect their pipes and our community's sewer system. We continued to promote sign-ups for alerts on jea.com as well as the use of jea.com as a convenient way to interact with JEA. We also maintained our billing and payment product options in the mix of messages. All paid and owned messaging are supported by social media, using Twitter, Facebook, LinkedIn, Google+ and YouTube to provide additional timely, relevant information.

Community Engagement: JEA employees are actively involved in our community engagement efforts. JEA Ambassadors participate in activities where we have an opportunity to help customers manage their utility services and/or to educate customers about how JEA provides critical utility services to our community. These employees are trained and certified ahead of time to help JEA deliver on our mission. On the other hand, JEA Volunteers go out into the community to assist nonprofits accomplish their goals by offering their time and talents to help the nonprofit deliver their mission. Volunteers do not have to have any special training or talent; they just have a caring heart.

In November, Ambassador activities included participation in events in support of the Main Library Anniversary, Veterans Day Parade, Mid-Town Tree Planting, Mamie Agnes Jones Elementary School, Jacksonville Children's Commission, and a Career Fair at Thomas Jefferson Elementary School. Groups of US Navy Electricians, UNF Engineering Students and Orange Park High students each participated in tours of Northside Generating Station (NGS) while a group of FSCJ Students visited our Main Street Lab. Ambassadors also participated as instructors in the Junior Achievement Financial Literacy programs at Sandalwood and Fletcher High Schools.

November and December are always big volunteer months. JEA provided volunteers to Hart Felt Ministries, Feeding NE Florida Food Bank (two projects), Salvation Army, and Salvation Army Toy Distribution (seven different projects). In November, our employee-led and supported Holiday Food Drive collected and donated 1,237 food items to the Clara White Mission. Our employees continued to demonstrate their generosity in December through the Annual Holiday Toy Drive and by adopting 12 families in our Annual Adopt a Family project.

As a community-owned utility, JEA employees take a great pride in the Ambassador and Volunteer programs and these programs go a long way to tangibly demonstrate to customers and the community the incredible "Heart of JEA."

Communications Contacts* Generated Year to Date	41,485,471
• Number of Paid Communications Contacts (Radio, Television, Out of Home, Online, Print)	32,691,742
• Number of Other Communications Contacts (Bill Insert, Bill Envelop, Brochure, etc.)	2,165,355
• Number of E-communications Contacts (jea.com Visitors, Email, Social Media, Videos)	6,125,560
• Number of Community Engagement Communications Contacts (Events, Public Speaking, Presentations, Training, Workshops, etc.)	120,814

*Communications Contacts are the opportunities we have to communication information to our customers.



December 7, 2015

SUBJECT:	CUSTOMER ENGAGEMENT
-----------------	----------------------------

Purpose: Information Only Action Required Advice/Direction

Issue: JEA's focus on customer engagement includes a two-way relationship of gathering the voice of the customer from multiple channels, identifying improvement opportunities from this input, and in-turn developing and implementing a customer-centric strategy for delivering excellence in service, as well as customer communications.

Significance: Customer Engagement is critical to earning customer loyalty, high Customer Satisfaction ratings and operational efficiencies.

Effect: N/A

Cost or Benefit: Continued improvement in J.D. Power Customer Satisfaction means JEA is better serving our customers and earning their loyalty, adding value to our community's economic vitality and quality of life, as well as operating more efficiently.

Recommended Board action: For information only; no action required

For additional information, contact: Monica Whiting, 665-8609

Submitted by: PEM/ MW/nn



Commitments to Action

- 1 Earn Customer Loyalty
- 2 Deliver Business Excellence
- 3 Develop an Unbeatable Team

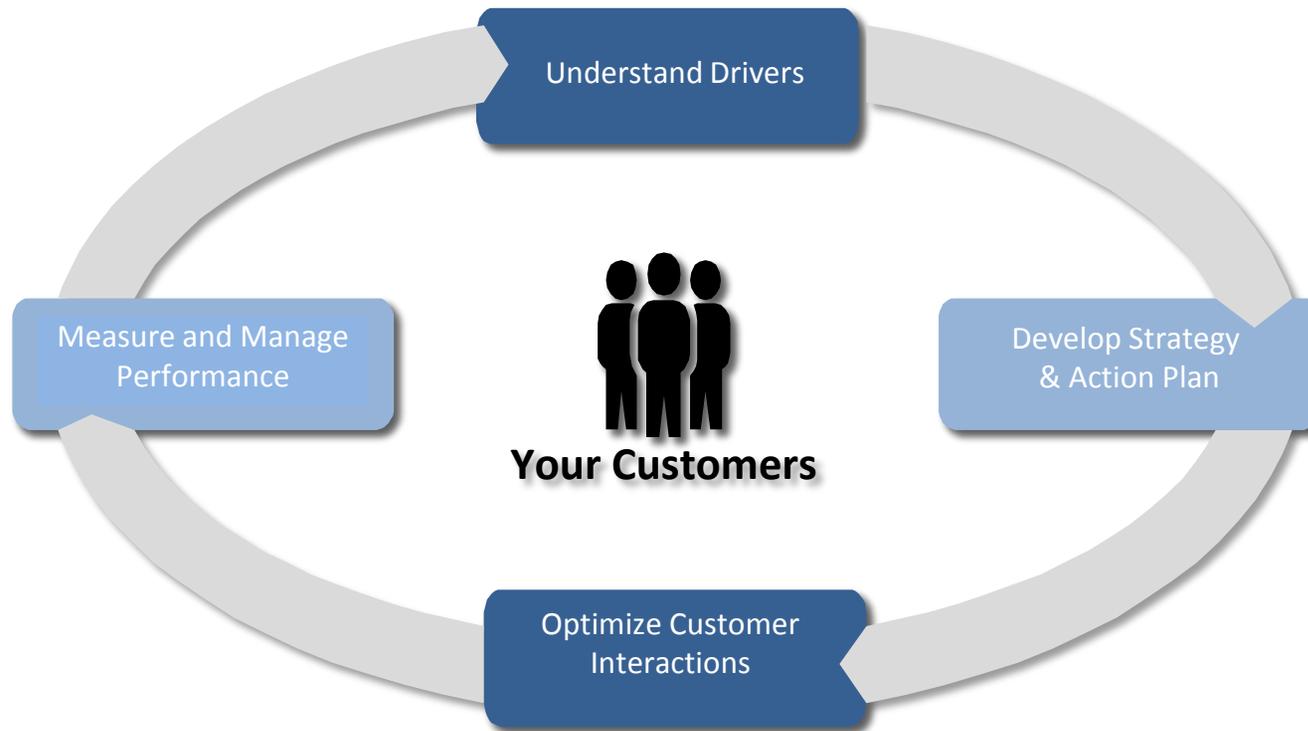
Customer Engagement Update

December 15, 2015



III.B.1.

Voice of the Customer Philosophy



The “Voice of the Customer” is the key element that enables us to understand the Drivers of Customer Satisfaction.

We gather input from our customers through numerous channels and methods to develop a comprehensive view of our diverse customers’ needs, and in turn to develop and implement strategic improvements.

Voice of the Customer In Action



Communications Strategy

Goal: Strengthen our positive, trusted relationships with customers

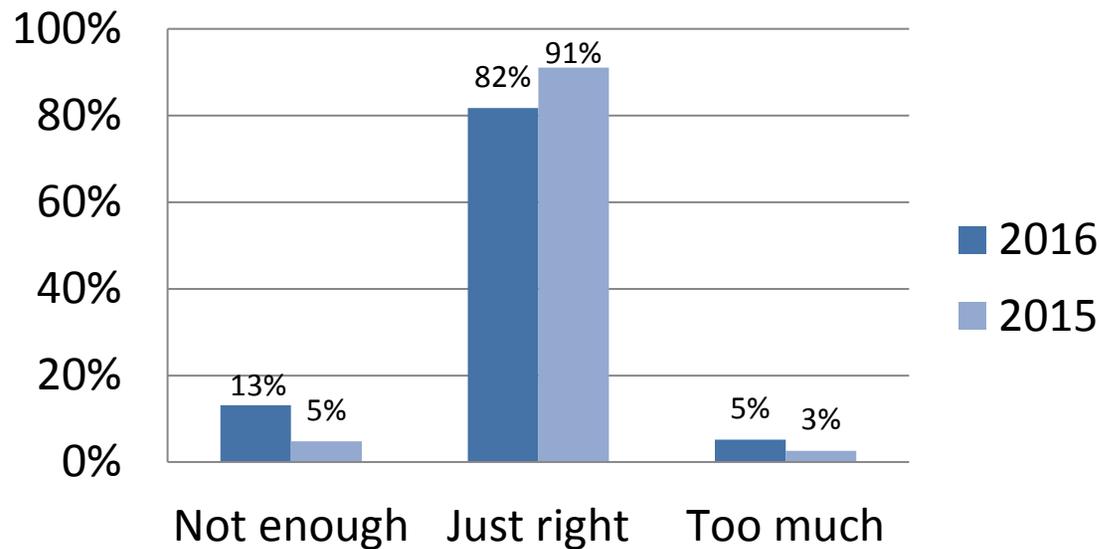
- **Increase relevant communication touches** through multiple channels
- Mix of:
 - **Reach and frequency**
 - **High touch and high impact contacts**
- **Mass media** deliver reach and frequency
- **Community engagement** events, activities and partnerships deliver high touch and impact

People Reached	Depth of Contact
Cost per Contact	Frequency of Contact



JDP: How Much Is Enough

Customer Perception of Utility Communication Volume



Our customers want to hear from us

- The overwhelming majority of JEA customers report that our volume of communication is “just right” – 91% YTD on the 2015 JDP Study.
- JEA is in the top quartile nationally for Communications.
 - Topics, mix & recall



JDP: What Customers Want to Know

Keep me informed about my account and products and tools for me

- Changes that affect my account (new rates, fees, policies)
- Conservation and efficiency programs and tips
- Products/services (rebates, billing & payment options)
- What you are doing to keep my costs low

Keep me informed about JEA's business

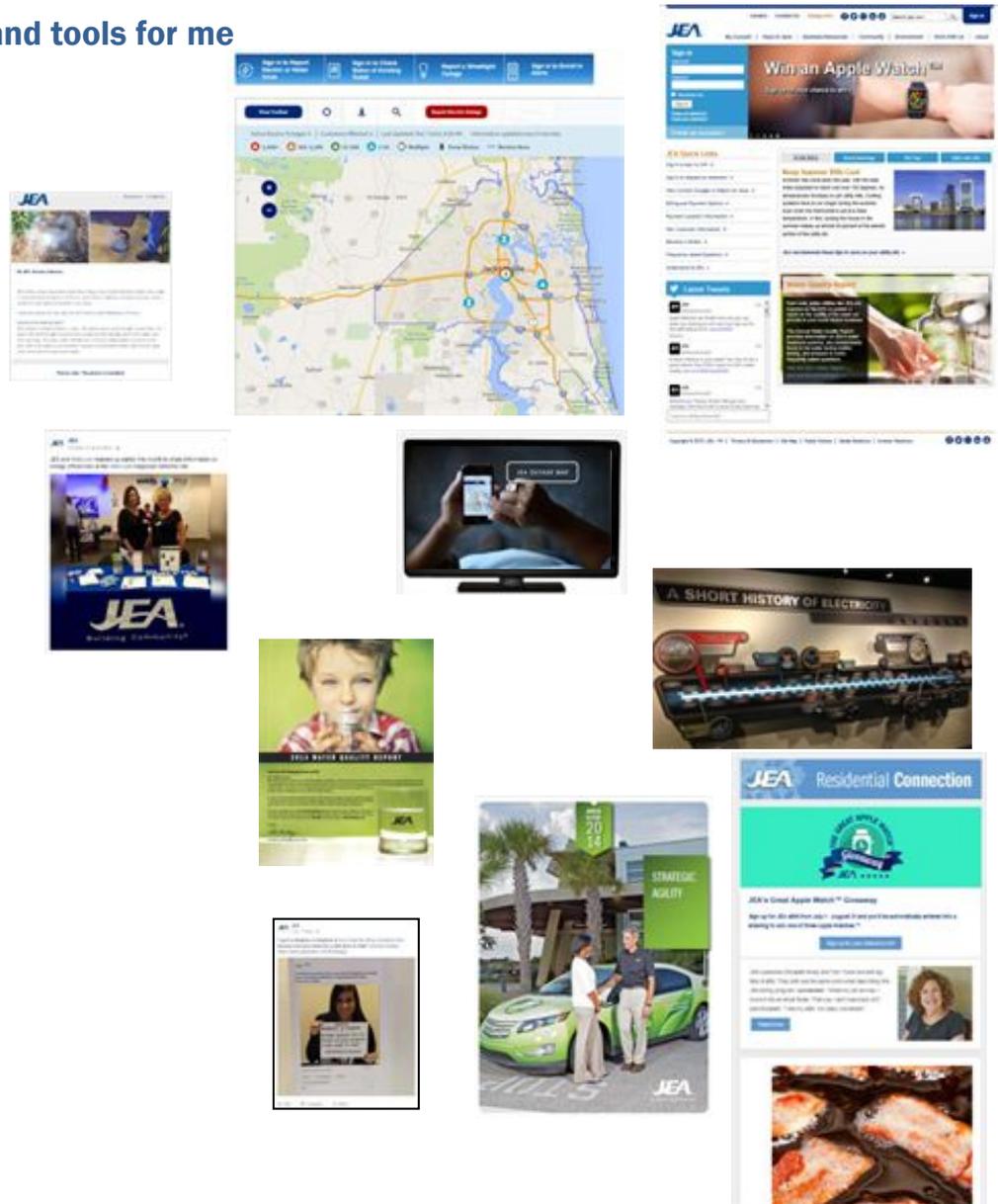
- Actions you take to protect the environment
- How to be safe around electricity
- Emergency preparedness
- How you are investing in our systems for the future
- What you are doing to improve reliability
- How you are investing in renewable energy

Keep me informed during an Outage

- Let me know you know that I am out
- Let me know when interruption occurred
- Let me know when crews are assigned/on the way
- Let me know what caused outage
- Confirm that my power is back on
- Make sure I know that you have an outage map

Let me know what JEA does in the community

- Partnerships with local nonprofits and civil organizations
- Employees volunteering in the community
- JEA's support for economic development
- Programs you have to help people who are struggling



Communications Channels

- Bill insert, bill messages, envelope back
- Monthly e-newsletter
- jea.com
- Topic specific/targeted emails
- Short videos - YouTube
- Brochures and flyers
- Annual report, water quality report
- Community events, activities, partnerships
- Social Media
 - Facebook page
 - Twitter account
 - Google+ account
 - LinkedIn account
- Advertisements
 - Print
 - Television
 - Radio
 - Electronic billboard
- Weekly radio show
- Community engagement
 - Tours
 - Speakers Bureau
 - Community Events
 - Volunteers





JEA
Building Community
AGENDA ITEM SUMMARY

December 4, 2015

SUBJECT:	ST. JOHN'S RIVER POWER PARK (SJRPP) SYSTEM EMPLOYEES' RETIREMENT PLAN - RESTATEMENT OF PLAN DOCUMENT
-----------------	---

Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
-----------------	--	--	---

Issue: As a result of Board approved amendments and technical amendments (updates to the law) required by IRS regulations, made to the St. John's River Power Park System Employees' Retirement Plan ("Plan"), a Plan restatement is being completed. The restated Plan will further be submitted to the IRS for a Letter of Determination on the tax qualified status of the Plan in January 2016. The Board is being provided the related Plan documents for review in preparation for approval of the restated Plan at the January 2016 Board Meeting.

Significance: Upon Board approval, the January 2016 Resolution will approve the restated Plan document.

Effect: The Plan document will include the language related to amendments 1-6 and required technical amendments.

Cost or Benefit: To obtain a Letter of Determination regarding the tax qualified status of the Plan from the Internal Revenue Service.

Recommended Board action: It is recommended that the JEA Board review the attached Plan documents in preparation for a vote in January to adopt Resolution 2016, which will approve the restated Plan document, effective October 1, 2015.

For additional information, contact: Angie Hiers (904)665-4747 or Pat Maillis (904)665-4132

Submitted by: PEM/ARH/PLM



MISSION	VISION	VALUES
<p>Energizing our community through high-value energy and water solutions.</p>	<p>JEA is a premier service provider, valued asset and vital partner in advancing our community.</p>	<ul style="list-style-type: none"> • Safety • Service • Growth • Accountability • Integrity

Commitments to Action

- 1** Earn Customer Loyalty
- 2** Deliver Business Excellence
- 3** Develop an Unbeatable Team



INTER-OFFICE MEMORANDUM

December 4, 2015

SUBJECT: ST JOHN'S RIVER POWER PARK (SJRPP) SYSTEM EMPLOYEES' RETIREMENT PLAN – RESTATEMENT OF PLAN DOCUMENT

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

The St. John's River Power Park System Employees' Retirement Plan ("Plan") was originally established in 1984 for the purpose of providing retirement benefits – on a tax-qualified basis – to eligible St. John's River Power Park System ("SJRPP") employees (and/or their surviving beneficiaries) after they retire. The Plan benefits have been, and currently are, bargained with the International Brotherhood of Electrical Workers (IBEW) Local Union 1618 and are also provided to a small number of SJRPP non-bargaining unit employees.

SJRPP and the IBEW Local Union 1618 bargaining unit ("IBEW") have entered into an approved and ratified Collective Bargaining Agreement ("CBA") for the period October 1, 2015 through September 30, 2018. The CBA describes certain changes to the ("Plan") and requires SJRPP to amend the Plan document to incorporate the terms of the CBA. In addition, a restatement of the Plan document has been undertaken to include previously approved amendments and technical amendments (changes in the law).

DISCUSSION:

Periodically, to maintain any retirement plan's tax-qualified status, it is necessary or advisable to amend the retirement plan's written plan documents to reflect updates in the law and/or plan design changes. Periodically, it is also beneficial to restate (i.e., re-write) the plan documents in a single written plan document to reflect all prior amendments and to achieve consistency and legal compliance. Once the plan amendments and/or an amended and restated plan documents have been prepared, it is sometimes necessary or advisable to submit the items to the Internal Revenue Service for a determination on the tax-qualified status of the items.

It is anticipated that the draft technical Plan amendments and the restated Plan document will be presented to the JEA Board of Directors at its January 2016 Board Meeting. Further, it is anticipated that once those items have been formally adopted, submission to the IRS may follow.

RECOMMENDATION:

In preparation for the January 2016 Board Meeting, the Board is being provided the current Plan document, amendments 1-6, and other related Plan documents for review. Staff recommends that, in January, the Board vote to approve the restated Plan document and submit it to the IRS for a determination on the tax-qualified status of the Plan.

Paul E. McElroy, Managing Director/CEO

PEM/ARH

St. Johns River Power Park System Employees' Retirement Plan Introduction to the Plan and the Plan Document Amendment and Restatement Project

I. Retirement Plan Amendments and Restatements, Generally

Periodically, to maintain any retirement plan's tax-qualified status, it is necessary or advisable to amend the retirement plan's written plan documents to reflect updates in the law and/or plan design changes. Periodically, it is also beneficial to restate (i.e., re-write) the plan documents in a single written plan document to reflect all prior amendments and to achieve consistency and legal compliance. Once plan amendments and/or an amended and restated plan document have been prepared, it is sometimes necessary or advisable to submit the items to the Internal Revenue Service for a determination on the tax-qualified status of the items.

II. SJRPP Pension Plan – History and Purpose

The St. Johns River Power Park System Employees' Retirement Plan ("Pension Plan") was originally established in 1984 for the purpose of providing retirement benefits – on a tax-qualified basis – to eligible St. Johns River Power Park System ("SJRPP") employees (and/or their surviving beneficiaries) after they retire. Tax-qualified retirement benefits are income tax-deferred under the Internal Revenue Code until the benefits are actually paid to the employee. The Pension Plan benefits have been, and currently are, bargained with the IBEW Local Union 1618. The Pension Plan benefits also apply to the far smaller number of SJRPP employees who are not members of that union and who also work for SJRPP.

III. SJRPP Pension Plan – Amendment and Restatement Project

As part of ongoing compliance, the professional consultants to the SJRPP Pension Plan have been working on amendments to the plan document and a restated plan document to reflect updates in the law and to memorialize the plan design. The intent of this project is not to change the SJRPP Pension Plan's current design or any of the benefits, but rather simply to make sure the governing plan documents are complete, correct, and legally-compliant. Once the draft documents have been completed, they will undergo review by the following:

- JEA Human Resources personnel,
- IBEW Local Union 1618 (courtesy notice),
- SJRPP Pension Plan Committee,
- Actuary (to prepare a financial impact statement for filing with the State), and
- JEA Board of Directors (for formal adoption on behalf of St. Johns River Power Park System).

It is anticipated that the draft plan amendments and the restated plan document will be presented to the JEA Board of Directors at its January 2016 Board Meeting. Further, it is anticipated that once those items have been formally adopted, submission to the Internal Revenue Service may follow.

IV. Current Benefits Under the SJRPP Pension Plan – Two Different Types

The SJRPP Pension Plan currently provides two different types of benefits:

- **Traditional Defined Benefits** – a set bi-weekly dollar amount is computed based on the employee's length of service and rate of pay preceding retirement. Generally speaking, if an employee retires with 30 years' of service, the employee is eligible for an annual maximum benefit under the SJRPP Pension Plan equal to 66% of the average of the employee's final 3 years of pay, which is divided into equal bi-weekly amounts. The normal form of benefit is a 75% joint-and-survivor annuity. This means that, first, 100% of the bi-weekly amount is paid to the retiree for the rest of the retiree's life. Then, upon the retiree's death, if the retiree's designated beneficiary is still living (for example, a surviving spouse), 75% of the bi-weekly amount is paid to the survivor for the rest of the survivor's life.
 - **BackDROP** – Within the traditional defined benefits, a BackDROP option is also available to certain retiring employees. At the time of retirement, the retiring employee specifies a date in the past (up to 5 years prior to the actual retirement date). This is the "BackDROP" date. The employee's bi-weekly retirement benefit is then calculated based on the employee's length of service and average rate of pay at that earlier BackDROP date. The amount of the retirement benefits for the period between the BackDROP date and the employee's actual retirement date is paid to the employee as a lump sum, with interest, at the time of the employee's actual retirement. The employee also commences receiving the bi-weekly retirement benefit payments at the time of the employee's actual retirement (but, again, the amount is based on the employee's length of service and average rate of pay at the earlier "BackDROP" date).
- **Cash Balance Benefits** – a set percentage of the employee's wages, plus a set interest rate, are credited to a hypothetical account for the employee. Currently, the SJRPP Pension Plan provides for a total credit equal to 8.5% of the employee's wages, plus a set interest rate of 4% per year. The amount of the employee's retirement benefit depends on the total amount that has been credited to the employee's hypothetical account by the time of the employee's retirement.

V. Current Benefits Under the SJRPP Pension Plan– Determining Eligibility for One or Both Types

Employees are split into 4 different groups for purposes of determining whether they are eligible to receive one or both types of SJRPP Pension Plan benefits:

- **Group A:** Traditional Defined Benefits, with BackDROP Available
 - As of February 24, 2013: at least 30 years of service regardless of age; or at least 5 years of service and age 60 or older; or at least 20 years of service and age 55 or older
- **Group B:** Traditional Defined Benefits, but No BackDROP Available
 - As of February 24, 2013: did not fall under Group A, and at least 20 years of service but under age 55
- **Group C:** Frozen* Traditional Defined Benefits, plus Cash Balance Benefits Begin Accruing on February 25, 2013
 - As of February 24, 2013: anyone who was a current employee and did not fall in Group A or Group B

(*"Frozen" means that the benefit that will be paid upon retirement will be only the benefit that had accrued as of February 25, 2013 based on the employee's years of service and 3-year average pay as of February 25, 2013.)

- **Group D:** Cash Balance Benefits Only
 - New employees hired after February 24, 2013

VI. Current SJRPP Pension Plan Benefits – Funding

Currently, the employees contribute 4% of their wages, on a pre-tax basis, to help fund the payment of benefits under the SJRPP Pension Plan. The entire remainder of the required funding, as determined by an independent actuary, is contributed by the employer. For example, if the actuary determines that a total contribution equal to 16% of total wages is needed to fund the SJRPP Pension Plan, then the employer contributes 12% (16% total required contributions – 4% employee contributions = 12% employer contributions).

The SJRPP Pension Plan's most recent, actuarially-determined, funded ratio is approximately 98%. Thus, currently the SJRPP Pension Plan is very fiscally sound.

VII. Current SJRPP Pension Plan Administration

The SJRPP Pension Plan is currently administered by a Committee with the assistance of JEA Human Resources personnel. The Committee is made up of a cross-section of employees with varying areas of expertise, and is currently chaired by Mike Brost, JEA Vice President/General Manager Electric Systems.

Certain third-party professional consultants with specialized expertise, such as an actuary, investment advisor, and lawyer, have been engaged to assist the Committee and JEA Human Resources with their SJRPP Pension Plan duties.

VIII. SJRPP Pension Plan – Governing Documents

For both federal tax purposes and administrative purposes, the SJRPP Pension Plan's governing documents are the ultimate authority concerning the SJRPP Pension Plan's terms. The SJRPP Pension Plan's formal governing documents consist of the following:

- ***Plan Documents***
 - *St. Johns River Power Park System Employees' Retirement Plan As Amended and Restated Effective October 1, 2002 ("2002 Plan Document")*
 - *Amendment No. 1*, effective October 1, 2003
 - *Amendment No. 2*, effective March 28, 2005
 - *Amendment No. 3*, effective May 20, 2008
 - *Amendment No. 4*, effective February 1, 2009
 - *Amendment Number 5*, effective February 25, 2013
 - *Amendment No. 6*, effective October 1, 2015

A copy of the above plan documents are attached for reference.

- ***Trust Document***
 - *Trust Agreement* dated May 12, 2005 between St. John's River Power Park System (as the Pension Plan sponsor) and Wachovia Bank, N.A.** (as Trustee)

A copy of the above trust document is attached for reference.

(**Now Wells Fargo Bank, N.A., as successor in interest)

- ***Collective Bargaining Document***
 - *Collective Bargaining Agreement* between St. Johns River Power Park and International Brotherhood of Electrical Workers Local Union 1618, October 1, 2015 – September 30, 2018

* * * * *

**ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN**

As Amended and Restated
Effective October 1, 2002

8/7/03

**ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN**

AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002

WHEREAS, JEA, formerly the Jacksonville Electric Authority ("Authority") previously approved and authorized the St. Johns River Power Park System's ("Sponsor") adoption of a retirement plan ("Plan") for its employees effective October 1, 1984, which Plan has been subsequently amended and is currently in effect; and

WHEREAS, the Authority and the Sponsor desire to again amend and restate said Plan, and the Authority has approved and authorized the Plan embodied herein;

WHEREAS, the amount of any benefit with respect to each Participant who retired, died or terminated employment prior to October 1, 2002, while covered by the then existing Plan, shall be determined in accordance with the terms of said Plan then in effect;

WHEREAS, the terms of payment of any benefit with respect to each Participant who commenced payment status prior to October 1, 2002, and to each Participant who terminated employment prior to October 1, 2002, but whose payment did not commence until after October 1, 2002, shall be determined in accordance with the Plan in effect as of the benefit payment commencement date.

NOW, THEREFORE, in consideration of the premises and acting under the powers reserved in said existing Plan, the Sponsor hereby amends and restates the Plan as follows:

8/7/03

1

TABLE OF CONTENTS

SECTION 1

DEFINITIONS 1-1

1.01 Accrued Benefit 1-1

1.02 Actuarial Equivalent 1-1

1.03 Affiliate 1-3

1.04 Beneficiary 1-3

1.05 Benefit Accrual Commencement Date 1-3

1.06 Benefit Service 1-3

1.07 Break in Service 1-4

1.08 Code 1-4

1.09 Committee 1-4

1.10 Contributions 1-5

1.11 Disability 1-5

1.12 Early Payment Reduction 1-5

1.13 Early Retirement Date 1-5

1.14 Earnings 1-5

1.15 Effective Date 1-6

1.16 Eligible Spouse 1-6

1.17 Employee 1-6

1.18 Employer 1-7

1.19 Final Average Earnings 1-7

1.20 Fund or Trust Fund 1-7

1.21 Hour of Employment 1-7

1.22 JEA 1-8

1.23 JEA Plan 1-8

1.24 Limitation Year 1-8

1.25 Non-Participating Affiliate 1-8

1.26 Normal Retirement Date 1-8

1.27 Participant 1-8

1.28 Participating Affiliate 1-8

1.29 Participation Agreement 1-8

1.30 Plan 1-9

1.31 Plan Year 1-9

1.32 Social Security Average Wages 1-9

1.33 Sponsor 1-10

1.34 Transfer Participant 1-10

1.35 Trust or Trust Agreement 1-10

1.36 Trustee(s) 1-10

1.37 Vesting Service 1-11

1.38 Year of Employment 1-11

8/7/03

SECTION 2
 ELIGIBILITY AND PARTICIPATION..... 2-1
 2.01 Eligibility 2-1
 2.02 Participation..... 2-1
 2.03 Limited Participants 2-2
 2.04 Reemployment 2-3

SECTION 3
 RETIREMENT DATES AND BENEFITS 3-1
 3.01 Normal Retirement 3-1
 3.02 Early Retirement 3-2
 3.03 Delayed Retirement..... 3-3
 3.04 Disability 3-4
 3.05 Termination of Employment 3-4
 3.06 Maximum Benefit Limitation 3-5

SECTION 4
 DEATH BENEFITS: PRERETIREMENT SURVIVOR ANNUITY..... 4-1
 4.01 Active Participant..... 4-1
 4.02 Vested Terminated Participant 4-2
 4.03 Retired Participant 4-3

SECTION 5
 PAYMENT OF BENEFITS 5-1
 5.01 Normal Form of Benefit Payment..... 5-1
 5.02 Election of Optional Retirement Benefits 5-2
 5.03 Description of Options 5-4
 5.04 Payment of Small Benefits 5-5
 5.05 Direct Rollovers..... 5-5
 5.06 Designation of Beneficiary 5-6
 5.07 When Benefit Payments Must Start..... 5-8

SECTION 6
 CONTRIBUTIONS..... 6-1
 6.01 Participant Contributions 6-1
 6.02 Employer Contributions 6-1
 6.03 Funding Policy 6-1

8/7/03

SECTION 7
 MANAGEMENT AND ADMINISTRATION..... 7-1
 7.01 Identification of the Fiduciaries 7-1
 7.02 General Fiduciary Duties 7-1
 7.03 Responsibilities of the Sponsor 7-1
 7.04 Responsibilities of the Committee 7-2
 7.05 Responsibilities of the Trustee 7-4
 7.06 Claims Procedure 7-4

SECTION 8
 TRUST FUND AND TRUSTEE..... 8-1
 8.01 Trust Fund..... 8-1
 8.02 Amendment of Trust Agreement 8-1
 8.03 Discontinuance of Trust Agreement 8-1

SECTION 9
 AFFILIATE ADOPTION, AMENDMENT AND TERMINATION 9-1
 9.01 Adoption of the Plan by an Affiliate 9-1
 9.02 Termination of Plan Participation by an Affiliate 9-1
 9.03 Amendment of the Plan 9-3
 9.04 Termination of the Plan..... 9-4

SECTION 10
 MISCELLANEOUS..... 10-1
 10.01 Headings 10-1
 10.02 Construction 10-1
 10.03 Assignment and Alienation of Benefits 10-1
 10.04 Qualified Domestic Relations Order 10-1
 10.05 Legally Incompetent 10-2
 10.06 Discrimination 10-3
 10.07 Forfeitures 10-3
 10.08 Disappearance of Participant or Beneficiary 10-3
 10.09 Compliance with Applicable Laws 10-3
 10.10 Return of Plan Assets to the Sponsor 10-3
 10.11 Merger 10-4
 10.12 Not a Contract of Employment..... 10-4
 10.13 Internal Revenue Service Approval 10-5
 10.14 Indemnity..... 10-5
 10.15 Adjustments..... 10-5

8/7/03

SECTION 1

DEFINITIONS

The following words and phrases used in this Plan shall have the meanings set forth below, unless a different meaning is plainly required by the context.

1.01 Accrued Benefit

means the annual retirement benefit a Participant has accrued as of any specified date, payable beginning at the Normal Retirement Date in the form of a 75% joint-and-survivor annuity, assuming a spouse of equal age (according to Section 5.03(4)).

The Accrued Benefit is the sum of (1) and (2) below, where:

- (1) is 2.00% of Final Average Earnings multiplied by the number of years of Benefit Service, not to exceed 25 years; and
- (2) is .65% of the excess of Final Average Earnings over Social Security Average Wages, multiplied by the number of years of Benefit Service, not to exceed 35 years.

In no event shall the Accrued Benefit be less than the Accrued Benefit earned as of September 30, 2002, determined under the provisions of the Plan in effect as of that date.

1.02 Actuarial Equivalent

means a benefit of equivalent value to that which would otherwise have been provided to the Participant, computed in accordance with accepted actuarial principles.

- (1) For benefits payable in the form of a single-sum payment, mortality rates shall be based on the "applicable mortality table" and the interest rate shall be the "applicable interest rate," where:

8/7/03

DEFINITIONS

1-2

- (a) the "applicable mortality table" is the table prescribed by the Secretary of the Treasury, based on the prevailing commissioners' standard table as described in Code Section 807(d)(5)(A) used to determine reserves for group annuity contracts issued on the date as of which the Actuarial Equivalent is being determined (without regard to any other subparagraph of Code Section 807(d)(5)); and
 - (b) the "applicable interest rate" is the annual rate of interest on 30-year Treasury securities for the month immediately preceding the date of distribution.
- (2) For benefits payable in the form of a life annuity, a benefit equal to 118.1% of that otherwise payable as a 75% joint-and-survivor annuity assuming a Beneficiary equal in age to the Participant ("75% joint-and-survivor equal age annuity").
 - (3) For benefits payable in the form of a 10-year certain-and-life annuity, a benefit equal to 111% of that otherwise payable as a 75% joint-and-survivor annuity if the Participant is age 65; if the Participant is younger than age 65, 1/2% will be added to the 111% for each year younger, but not more than 118.1%; if the Participant is older than 65, 1/2% will be subtracted from the 111% for each year older.
 - (4) For benefits payable in the form of a 50% joint-and-survivor annuity, a benefit equal to 106.4% of that otherwise payable as a 75% joint-and-survivor annuity if the Beneficiary is the same age as the Participant. If the Beneficiary is younger than the Participant, 1% will be subtracted from the 106.4% for each year younger. If the Beneficiary is older than the Participant, 1% will be added to the 106.4% for each year older, but not more than 118.1%.
 - (5) For benefits payable in the form of a 66-2/3% joint-and-survivor annuity, a benefit equal to 104.3% of that otherwise payable as a 75% joint-and-survivor annuity if the Beneficiary is the same age as the Participant. If the Beneficiary is younger than the Participant, 1% will

8/7/03

1

DEFINITIONS

1-3

be subtracted from the 104.3% for each year younger. If the Beneficiary is older than the Participant, 1% will be added to the 104.3% for each year older, but not more than 118.1%.

- (6) For benefits payable in the form of a 75% joint-and-survivor annuity, a benefit equal to 100% of that otherwise payable as a 75% joint-and-survivor annuity if the Beneficiary is the same age as the Participant. If the Beneficiary is younger than the Participant, 1% will be subtracted from the 100% for each year younger. If the Beneficiary is older than the Participant, 1% will be added to the 100% for each year older, but not more than 118.1%.
- (7) For benefits payable in the form of a 100% joint-and-survivor annuity, a benefit equal to 94.7% of that otherwise payable as a 75% joint-and-survivor annuity if the Beneficiary is the same age as the Participant. If the Beneficiary is younger than the Participant, 1% will be subtracted from the 94.7% for each year younger. If the Beneficiary is older than the Participant, 1% will be added to the 94.7% for each year older, but not more than 118.1%.

- 1.03 Affiliate**
means any other separate system established by JEA pursuant to Chapter 80-513, Laws of Florida, as amended.
- 1.04 Beneficiary**
means the person designated by a Participant according to Section 5.06 to receive benefits payable in the event of the Participant's death.
- 1.05 Benefit Accrual Commencement Date**
means, for the Sponsor, the Employee's date of employment; for a Participating Affiliate, the date specified in the Participation Agreement.
- 1.06 Benefit Service**
means those Years of Employment that are to be recognized for the accrual of retirement benefits. One full year of Benefit Service will be credited for each year of Vesting Service earned while a Participant in the Plan or credited in

8/7/03

DEFINITIONS

1-4

accordance with paragraph three of Section 1.37. No Benefit Service will be credited for employment with a Non-Participating Affiliate.

1.07 Break in Service

means any Year of Employment during which an Employee fails to complete 500 Hours of Employment. For the purpose of determining whether a Participant has incurred a Break in Service, Hours of Employment shall be recognized for "authorized leaves of absence" and "maternity and paternity leaves."

An authorized leave of absence means an unpaid, temporary cessation from active employment with the Employer according to an established, nondiscriminatory policy, for military service, illness or any other reason.

A maternity or paternity leave means an absence from work for any period due to Employee's pregnancy, birth of the Employee's child, placement of a child with the Employee in connection with adoption, or any absence for the purpose of caring for such child for a period immediately following such birth or placement. For this purpose, Hours of Employment shall be credited for the computation period in which the absence from work begins, only if such credit is necessary to prevent the Employee from incurring a Break in Service or, in any other case, in the immediately following computation period.

Notwithstanding any provision of this Plan to the contrary, Contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

1.08 Code

means the Internal Revenue Code of 1986, as amended.

1.09 Committee

means the administrative Committee appointed by the Sponsor to administer the Plan in accordance with the terms of Section 7.

8/7/03

DEFINITIONS

1-5

1.10 Contributions

means the Employer Contributions and Participant Contributions to the Fund made in accordance with Section 6.

1.11 Disability

means the physical or mental condition that prevents a Participant from engaging in any substantial gainful activity and is expected to be of indefinite duration.

1.12 Early Payment Reduction

means a reduction in benefits that start prior to age 65 to take into account the younger age and earlier commencement of payment, equal to 1/144 for each full month of the first 36 months and 1/288 for each full month of the next 84 months by which the benefit commencement precedes age 65.

1.13 Early Retirement Date

means the date on which a Participant has terminated employment and both attained age 55 and completed 10, but less than 20, years of Vesting Service.

1.14 Earnings

- (a) A Participant's monthly base salary as of the last day of the month coincident with or next preceding the date of termination of employment. Base salary shall exclude bonuses, overtime, expense allowances, severance pay and other extra remuneration.
- (b) Effective October 1, 1989, Earnings in excess of \$200,000 shall be disregarded, provided that such \$200,000 amount shall be adjusted by any cost of living adjustments as prescribed by the Secretary of the Treasury under the Code or regulations thereunder. In no event shall such dollar limitation cause a Participant's Accrued Benefit to be less than the Accrued Benefit determined as of September 30, 1989.
- (c) Effective October 1, 1994, Earnings in excess of \$150,000 shall be disregarded, provided that such \$150,000 amount shall be adjusted by any cost of living adjustments as prescribed by the Secretary of the Treasury under the Code or regulations thereunder. In no event shall

8/7/03

1

DEFINITIONS

1-6

such dollar limitation cause a Participant's Accrued Benefit to be less than the Accrued Benefit determined as of September 30, 1994.

- (d) Effective October 1, 2002, Earnings in excess of \$200,000 shall be disregarded, provided that such \$200,000 amount shall be adjusted by any cost of living adjustments as prescribed by the Secretary of the Treasury under the Code or regulations thereunder. In no event shall such dollar limitation cause a Participant's Accrued Benefit to be less than the Accrued Benefit determined as of September 30, 2002.

1.15 **Effective Date**

means

- (1) as to the original Plan, October 1, 1984;
- (2) as to the first amended and restated Plan, October 1, 1998; and
- (3) as to the second amended and restated Plan as set forth in this document, October 1, 2002.

1.16 **Eligible Spouse**

means the Participant's spouse who has been legally married to the Participant throughout a one-year period ending on the earlier of the date benefit payments commence or the Participant's date of death.

1.17 **Employee**

means any person employed by the Employer, excluding temporary employees, contract employees, and employees represented by a collective bargaining agent, unless the bargaining agent and the Employer agree that such represented employees shall be eligible to participate in the Plan.

Leased employees within the meaning of Section 414(n)(2) of the Code shall be treated as Employees of the Employer, unless such leased employees are covered by a plan described in Section 414(n)(5) of the Code and do not constitute more than 20% of the Employer's nonhighly compensated Employees.

8/7/03

DEFINITIONS

1-7

1.18 **Employer**

means the Sponsor and any Participating Affiliate; with respect to a Transfer Participant, Employer means JEA.

1.19 **Final Average Earnings**

means the annual average of a Participant's Earnings for the 36 consecutive complete months that produce the highest average during the last 120 months of participation, or during all complete months of participation if less than 120, immediately preceding his(her) retirement date, termination date or date of death, whichever is earliest.

1.20 **Fund or Trust Fund**

means the cash and other properties held and administered by the Trustee in accordance with the terms of the Trust Agreement.

1.21 **Hour of Employment**

means each hour for which an Employee is:

- (1) paid, or entitled to payment, by the Employer for the performance of duties;
- (2) paid, or entitled to payment, because of a period of time during which no duties are performed (irrespective of whether the employment relationship has been terminated), e.g., vacation, holiday, illness, incapacity, lay-off, jury duty, military duty, or approved leave of absence, provided that such payment is not made or due under a plan maintained solely for the purpose of complying with applicable worker's compensation, unemployment compensation or disability insurance laws; or
- (3) awarded (or has reached an agreement for) back pay (credited for the employment year to which such award or agreement pertains), irrespective of mitigation of damages;

provided, however, that the same Hours of Employment shall not be credited twice under (1), (2) or (3) above. Hours of Employment shall be credited on

8/7/03

DEFINITIONS

1-8

the basis of any method permitted by Sections 2530.200b-2(b) and (c) of Department of Labor regulations and applied in a uniform and nondiscriminatory manner.

- 1.22 **JEA**
means the public utility formerly known as the Jacksonville Electric Authority and now known as JEA.

- 1.23 **JEA Plan**
means the City of Jacksonville Employees' Pension Plan (or any successor plan) in which JEA employees participate.

- 1.24 **Limitation Year**
means, for purposes of Section 3.06, the Plan Year.

- 1.25 **Non-Participating Affiliate**
means any Affiliate of the Sponsor that has not executed a Participation Agreement.

- 1.26 **Normal Retirement Date**
means (1) the date on which a Participant has completed five years of Vesting Service and attained age 65, or (2) the date on which a Participant has completed 20 years of Vesting Service and attained age 55.

- 1.27 **Participant**
means any Employee who is eligible to participate in the Plan in accordance with Section 2, or any Transfer Participant.

- 1.28 **Participating Affiliate**
means any Affiliate that adopts this Plan for the benefit of its Employees by execution of a Participation Agreement

- 1.29 **Participation Agreement**
means the agreement to participate as executed by a Participating Affiliate.

8/7/03

DEFINITIONS

1-9

1.30 Plan

means the St. Johns River Power Park System Employees' Retirement Plan, as set forth in this document, including the Participation Agreement of each Participating Affiliate, and as they may be amended from time to time.

1.31 Plan Year

means a 12-month period beginning on October 1 of each year and ending on September 30 of the following year.

1.32 Social Security Average Wages

means the average of the maximum amount of annual wages subject to Social Security tax for 35 years up to and including the calendar year of the Participant's Social Security Normal Retirement Age (SSNRA), as specified under Section 3121(a)(1) of the Code. The average is determined according to the table in effect at the Participant's termination of employment. For 2002, the Social Security Average Wages are as set forth below; for subsequent years the Social Security Average Wages will be recalculated according to Section 3121(a)(1) of the Code to determine applicable Average Wages in effect for that year.

8/7/03

DEFINITIONS

1-10

<u>Calendar Year of Social Security Retirement Age</u>	<u>Social Security Average Wages</u>	<u>Calendar Year of Social Security Retirement Age</u>	<u>Social Security Average Wages</u>
1999	\$33,060	2018	\$70,416
2000	35,100	2019	71,760
2001	37,212	2020	73,056
2002	39,444	2022	75,456
2004	43,848	2023	76,596
2005	46,056	2024	77,652
2006	48,252	2025	78,612
2007	50,424	2026	79,512
2008	52,548	2027	80,352
2009	54,588	2028	81,132
2010	56,616	2029	81,828
2011	58,608	2030	82,500
2012	60,552	2031	83,136
2013	62,472	2032	83,700
2014	64,248	2033	84,168
2015	65,940	2034	84,516
2016	67,512	2035	84,768
2017	69,012	2036	84,900

- 1.33 **Sponsor**
means the St. Johns River Power Park System of Jacksonville, Florida, a corporation organized and existing under the laws of the State of Florida, or its successors who adopt this Plan.
- 1.34 **Transfer Participant**
means an employee of the Sponsor whose employment is transferred to JEA, and who elects in accordance with Section 2.02 to continue participating in the Plan.
- 1.35 **Trust or Trust Agreement**
means any agreement between the Trustee(s) and the Sponsor established for the purpose of funding the benefits under the Plan.
- 1.36 **Trustee(s)**
means the Trustee(s) appointed by the Sponsor, or any substitute or successor Trustee(s).

8/7/03

DEFINITIONS

1-11

1.37 **Vesting Service**

means the number of Years of Employment (as defined in Section 1.38) determined as of each employment anniversary date, during which an Employee has completed at least 1,000 Hours of Employment; provided, however, that in the event employment is terminated, and the Employee is subsequently reemployed, the Vesting Service to which he/she was entitled as of his/her termination date shall be included in any further computation of Vesting Service.

Vesting Service shall include employment with a Non-Participating Affiliate.

Effective October 1, 2001, an Employee may elect to purchase Vesting Service credit for years of prior employment with the Employer as a temporary or contract employee in which 1,000 Hours of Employment were earned, by paying to the Plan an amount equal to the then applicable Employee Contribution rate (currently 2%) times Earnings as of the date of purchase. Such election to purchase may be made by making application to the Committee within two years following the effective date of this provision or within two years following the Employee's date of employment as a regular Employee, if later. Payment for Vesting Service credit purchased pursuant to this paragraph may be made through payroll deductions not exceeding five years in length or through lump-sum payments, or a combination of both.

1.38 **Year of Employment**

means the 12-month period ending on the anniversary date of an Employee's date of employment regardless of whether the Employee is actively employed on such date, and each such subsequent 12-month period.

8/7/03

SECTION 2

ELIGIBILITY AND PARTICIPATION

2.01 Eligibility

Each Employee who was a Participant in the Plan on September 30, 2002, shall continue to be a Participant in this amended and restated Plan. Each such Participant's date of participation, as established under the provisions of the Plan in effect when the Participant first became eligible to participate, shall be unaffected by the Employer's adoption of this amended and restated Plan.

Each other Employee shall be eligible to become a Participant in the Plan on the first day of the month following his or her date of employment, provided the Employer shall not currently be making contributions on behalf of such Employee to another retirement plan.

All periods of employment with the Employer shall be counted in determining eligibility for participation.

2.02 Participation

Each Employee shall automatically become a Participant in the Plan on the date such Employee fulfills the eligibility requirements for participation.

Notwithstanding the preceding paragraph, an Employee whose employment was transferred to the Sponsor from JEA and who was a participant in the JEA Plan shall have the option to forgo participation in the Plan and continue to participate in the JEA Plan. If no election is made, the Employee will become a Participant in the Plan when eligible. Such election must be made within 30 days of transfer of employment. If such Employee becomes a Participant in the Plan, Vesting Service will be granted for the period of employment with JEA, and Benefit Service will be granted only for periods of employment with the Sponsor or a Participating Affiliate.

A Participant whose employment is transferred from the Sponsor to JEA shall have the option to continue to participate in the Plan while employed by JEA,

8/7/03

ELIGIBILITY AND PARTICIPATION

2-2

and in that event shall be referred to as a Transfer Participant. Such election must be made within 30 days of transfer of employment. If such Participant does not elect to remain in the Plan, such Participant shall be deemed a Limited Participant in the Plan for the duration of his(her) employment with JEA, and benefits under the Plan shall be determined in accordance with Section 2.03.

The options referred to in the preceding two paragraphs shall be available to and limited to a combined total of the first 150 employees of SJRPP who transfer to JEA and elect to remain in the Plan, and employees of JEA who transfer to SJRPP and elect to remain in the JEA Plan.

A reemployed former Participant shall participate in the Plan immediately upon reemployment.

Participation in the Plan shall not give any Employee the right to be retained in the employ of the Employer, nor to have any right or interest in the Fund other than as provided in this Plan.

2.03 Limited Participants

- (1) "Limited Participant" means an Employee who at any time has become a Participant in this Plan, but who is currently employed by a Non-Participating Affiliate, or an Employee whose employment was transferred to JEA and who elected not to continue participation in the Plan.
- (2) A Participant shall become a Limited Participant as of the date of transfer to a Non-Participating Affiliate or to JEA.
- (3) For the purpose of determining a Limited Participant's Vesting Service for any purpose of this Plan, Vesting Service shall include service during all periods of employment, whether with a Participating or Non-Participating Affiliate or with JEA.
- (4) A Limited Participant's Accrued Benefit shall be determined according to the Plan provisions in effect on the date immediately preceding the

8/7/03

ELIGIBILITY AND PARTICIPATION

2-3

Participant's transfer to the Non-Participating Affiliate or to JEA based on Benefit Service and Final Average Earnings as of the date of transfer; provided, however, that Vesting Service shall be determined in accordance with Section 2.03(3).

2.04 Reemployment

Service Credits for Reemployed Former Participants: For any Participant who has terminated employment and is subsequently reemployed by the Employer:

- (1) if he/she was entitled to a vested termination benefit described in Section 3.05, and he/she has not been paid a single-sum settlement, he/she shall be entitled to Vesting Service and Benefit Service as of the date of termination of his/her previous employment, and shall again participate and accrue benefits after the date of reemployment, in accordance with the terms of the Plan; or
- (2) if he/she was entitled to a vested termination benefit described in Section 3.05, and he/she has been paid a single-sum settlement, upon later reemployment, the Vesting Service and Benefit Service at the date of termination of the previous employment shall be restored only if he/she repays to the Fund the value of the single-sum payment with interest at 5%, or a higher rate as set by the Secretary of the Treasury, from the date of the single-sum payment to the date of repayment. If repayment is not made, Benefit Service shall not be restored, but the reemployed Employee shall be eligible to participate in the Plan immediately upon reemployment and shall retain vested status for future benefit accruals; or
- (3) if he/she was not entitled to a vested termination benefit, as described in Section 3.05 and received a refund of Participant Contributions, he/she shall be entitled to Vesting Service and Benefit Service as of the date of termination of his/her previous employment only if he/she repays to the Fund the Contributions with interest at 5%, or a higher rate as set by the Secretary of the Treasury, from the date of the refund of Contributions to the date of repayment. If repayment is not made,

8/7/03

ELIGIBILITY AND PARTICIPATION

2-4

Benefit Service shall not be restored but the reemployed Participant shall be eligible to participate in the Plan immediately upon reemployment and shall retain Vesting Service as of previous termination of employment for future benefit accruals; or

- (4) if he(she) was not entitled to a vested termination benefit and did not receive a refund of Participant Contributions, he(she) shall be entitled to Vesting Service and Benefit Service as of the date of termination of the previous employment, and shall again participate and accrue benefits after the date of reemployment according to the terms of the Plan.
- (5) In the event a Participant is reemployed after receiving retirement benefits, benefit payments shall continue in the same form and manner as in effect immediately prior to the reemployment date; provided, however, that at the close of each Plan Year prior to Participant's later termination of employment, the Accrued Benefit shall be recomputed based on Final Average Earnings and Benefit Service as of the date of determination. Such recalculated Accrued Benefit shall be offset by the Actuarial Equivalent value of the total benefit distributions made by the close of the prior Plan Year, and shall be paid to the Participant for the following Plan Year. In no case, however, shall the Participant's recomputed net benefit be less than the initial retirement benefit received.

8/7/03

SECTION 3

RETIREMENT DATES AND BENEFITS

A Participant who retires or terminates employment may be eligible for benefits as described in this Section 3.

The determination of the Accrued Benefit to which any Participant or Beneficiary is entitled shall be governed by the Plan in effect on the date of the Participant's termination of employment, subject to the provisions of Section 2.03(4).

The Accrued Benefit rights of any Participant as of September 30, 2002, shall not be reduced or eliminated as a result of the adoption by the Employer of this amended and restated Plan.

3.01 Normal Retirement

Normal Retirement under the Plan shall mean retirement from employment on the Normal Retirement Date. Payment of the retirement benefit shall be governed by the following provisions:

- (1) Normal Retirement Date:
The date on which a Participant (1) has completed five years of Vesting Service and attained age 65, or (2) has completed 20 years of Vesting Service and attained age 55.
- (2) Benefit Amount:
A Participant's normal retirement benefit shall be equal to the Accrued Benefit (Section 1.01) determined as of the Normal Retirement Date; provided, however, that for a Participant retiring prior to attaining age 65, part (2) of the Accrued Benefit formula (Section 1.01) shall be reduced by $1/144$ for each full month of the first 36 months and $1/288$ for each full month of the next 84 months by which benefit commencement precedes the Participant's age 65.

8/7/03

RETIREMENT DATES AND BENEFITS

3-2

(3) Benefit Payments:

Retirement benefits shall be payable bi-weekly. The first payment shall be made on the first day of the month following or coincident with the Participant's Normal Retirement Date. All payments shall be made as provided in Section 5.01, Normal Form of Benefit Payment.

3.02 Early Retirement

A Participant may retire on or after the Early Retirement Date, provided that he/she makes a written election on a form furnished by the Committee to have retirement benefits payable as governed by the following provisions:

(1) Early Retirement Date:

The date on which a Participant has terminated employment and both attained age 55 and completed 10, but less than 20, years of Vesting Service.

(2) Benefit Amount:

A Participant's early retirement benefit shall be equal to the Accrued Benefit (Section 1.01) determined as of the Early Retirement Date, reduced by the Early Payment Reduction factor (Section 1.12).

(3) Benefit Payments:

Retirement benefits shall be payable bi-weekly. The first payment shall be made on the first day of the month following or coincident with the Participant's Early Retirement Date; provided, however, that a Participant may elect in writing to defer the commencement of benefits to a date after the Early Retirement Date but in no event later than the Normal Retirement Date, in which case the first payment shall be made on the first day of the month following or coincident with the date to which commencement was deferred. All payments shall be made as provided in Section 5.01, Normal Form of Benefit Payment.

(4) Grandfather Election:

Effective November 21, 2000, Participants who were hired as Employees prior to October 1984, the date this Plan was first adopted, and who are age 50 or older as of termination of employment may

8/7/03

RETIREMENT DATES AND BENEFITS

3-3

elect to purchase a special (no reduction) early retirement benefit in accordance with the following terms and conditions:

- (a) The Participant shall make application to the Plan for this Section 3.02(4) special early retirement benefit.
- (b) The Participant shall remit to the Plan an amount equal to the difference between the actuarial present value of the total benefits to be paid to the Participant combining this special early retirement provision with earned existing benefits, and the actuarial present value of the projected benefit held by the Plan for such Participant. Such actuarial values shall be determined by the actuary for the Plan in accordance with rules and procedures adopted by the Committee.
- (c) The Participant's special early retirement benefit shall be equal to the Accrued Benefit determined as of the date of employment termination, without reduction for early retirement, payable biweekly starting at the later of termination of employment or the first of a month set by the Participant no sooner than the first of the month following the Participant's attainment of age 55.
- (d) The special early retirement benefit will be payable in accordance with the provisions contained in Section 5.01, Normal Form of Benefit Payment.

3.03 Delayed Retirement

For a Participant who retires after the Normal Retirement Date, payment of the retirement benefit shall be governed by the following provisions:

- (1) **Delayed Retirement Date:**
The date on which a Participant actually retires from the employ of the Employer after the Normal Retirement Date.

8/7/03

RETIREMENT DATES AND BENEFITS

3-4

(2) **Benefit Amount:**

A Participant's delayed retirement benefit shall be equal to the Accrued Benefit (Section 1.01) determined as of the Delayed Retirement Date.

(3) **Benefit Payments:**

Retirement benefits shall be payable bi-weekly. The first payment shall be made on the first day of the month following or coincident with the Participant's Delayed Retirement Date, and all payments shall be made as provided in Section 5.01, Normal Form of Benefit Payment.

3.04 Disability

A Participant who becomes totally and permanently disabled after meeting the requirements for Early Retirement eligibility in accordance with Section 3.02(1) will be eligible for retirement. Such retirement shall be referred to as Early Retirement and shall be governed by the provisions of Section 3.02.

3.05 Termination of Employment

A Participant whose employment terminates before the completion of at least five years of Vesting Service shall not be entitled to any benefits under the Plan except a refund of Participant Contributions, if any.

A Participant whose employment terminates after the completion of at least five years of Vesting Service, for any reason other than death, disability or retirement under the Plan, shall be entitled to the Accrued Benefit determined as of the Vested Termination Date.

If the vested Accrued Benefit of a terminated Participant is equal to zero, the terminated Participant shall be deemed to have received a distribution of the single-sum actuarial present value of the vested Accrued Benefit.

(1) **Vested Termination Date:**

The date on which a Participant terminates employment or a Transfer Participant terminates employment with JEA after completing at least five years of Vesting Service, for any reason other than death, disability or retirement.

8/7/03

RETIREMENT DATES AND BENEFITS

3-5

- (2) **Benefit Amount:**
A Participant's termination benefit shall be equal to the Accrued Benefit (Section 1.01) determined as of the Vested Termination Date.
- (3) **Benefit Payments:**
The termination benefit (if any) shall be payable bi-weekly. The first payment shall be made on the first day of the month following or coincident with the date of the Participant's attainment of age 65. All payments shall be made as provided in Section 5.01, Normal Form of Benefit Payment.
- (4) **Payment Elections:**
A terminated Participant who has 10 or more years of Vesting Service may elect, at or after the Early Retirement Date, to receive retirement benefits equal to the benefit provided in Section 3.02(2), reduced by the Early Payment Reduction factor (Section 1.12), and payable in accordance with Section 3.02(3).

3.06 Maximum Benefit Limitation

- (1) Notwithstanding any other provisions of the Plan, the Accrued Benefit, including the right to any optional benefit provided in the Plan (and all other defined benefit plans required to be aggregated with this Plan under the provisions of Section 415 of the Code), shall not increase to an amount in excess of the amount permitted under Section 415 of the Code and amendments thereto.
- (2) As specified by Section 415 effective October 1, 2001, the maximum annual benefit is limited to the lesser of:
 - (a) the average of the Participant's compensation for the highest three consecutive calendar years while an active Participant; and
 - (b) \$160,000.

8/7/03

RETIREMENT DATES AND BENEFITS

3-6

For each future calendar year, the dollar limitation placed on benefits by the Commissioner of Internal Revenue will apply instead of the dollar limitation provided in (b) above.

If the annual benefit payable to a Participant or on behalf of a Participant is other than a straight life annuity or a joint-and-survivor annuity under Option D of Section 5.03 with the spouse as Beneficiary, the above annual benefit limitation shall be adjusted to an equivalent benefit in the form of a straight life annuity in accordance with regulations issued by the Secretary of the Treasury.

- (3) In the event a retirement benefit under the Plan becomes payable to a Participant prior to the Participant's attainment of age 62, the dollar limitation described in paragraph (3)(b) shall be adjusted to the actuarial equivalent of such benefit commencing age 62. Such actuarial equivalent adjustment shall be in accordance with regulations issued by the Secretary of the Treasury.
- (4) In the event payment of a retirement benefit under the Plan to a Participant commences after the Participant's attainment of age 65, the dollar limitation described in paragraph (3)(b) shall be adjusted to be the actuarial equivalent of such benefit beginning at age 65. Such actuarial equivalent adjustment shall be in accordance with regulations issued by the Secretary of the Treasury.
- (5) For years after the payment-commencement year, benefits that were limited in any year by the application of paragraph (3)(b) shall be adjusted in subsequent years to take into account later year increases in the maximum benefit dollar limit.
- (6) If a retirement benefit is payable to a Participant who has fewer than 10 years of Benefit Service, the maximum benefit limitation shall be multiplied by a fraction, the numerator of which is the Participant's years of Benefit Service and the denominator of which is 10. Notwithstanding the preceding provisions of this Section 3.06, in no

8/7/03

RETIREMENT DATES AND BENEFITS

3-7

event shall the retirement benefit payable to a Participant be reduced to an amount less than 1/10 of the applicable limitation.

8/7/03

SECTION 4**DEATH BENEFITS: PRERETIREMENT SURVIVOR ANNUITY**

The surviving Eligible Spouse (Section 1.16) of a Participant who dies after attaining a vested right to an Accrued Benefit, but before benefit payments commence, shall receive a death benefit as further described in Sections 4.01, 4.02 and 4.03 below. If there is no surviving Eligible Spouse, no death benefits shall be payable except a refund of Participant Contributions, if any.

"Earliest Retirement Age" as used in this Section 4 means the earliest date on which, under the Plan, the Participant could elect to receive an immediate retirement annuity.

4.01 Active Participant**(1) Benefit Amount:**

If a Participant with a vested Accrued Benefit dies prior to retirement or termination of employment, the surviving Eligible Spouse shall receive a benefit equal to that which would have been payable if the Participant had:

- (a) separated from service on the date of death,
- (b) survived to the Earliest Retirement Age,
- (c) retired at the Earliest Retirement Age with an immediate 75% joint-and-survivor annuity, according to Option D of Section 5.03, and
- (d) died on the following day;

provided, however, that if payment to the Eligible Spouse commences prior to the date the Participant would have attained the Normal Retirement Date, the Early Payment Reduction (Section 1.12) shall be applied as if the Participant had attained the Normal Retirement Date.

8/7/03

DEATH BENEFITS: PRERETIREMENT SURVIVOR ANNUITY

4-2

(2) Benefit Payments:

Benefit payments under this Section shall be payable bi-weekly. The first payment shall be made on the first day of the month following or coincident with the Participant's Earliest Retirement Age; provided, however, that the surviving Eligible Spouse may elect in writing to defer the commencement of benefits to a later date (but in no event later than the Participant's Normal Retirement Date), in which case the first payment shall be made on the first day of the month following or coincident with the date to which commencement was deferred.

4.02 Vested Terminated Participant

(1) Benefit Amount:

If a terminated Participant with a vested Accrued Benefit dies prior to the Earliest Retirement Age, the surviving Eligible Spouse shall receive a benefit equal to that which would have been payable if the Participant had:

- (a) survived to the Earliest Retirement Age,
- (b) retired at the Earliest Retirement Age with an immediate 75% joint-and-survivor annuity, according to Option D of Section 5.03, and
- (c) died on the following day.

(2) Benefit Payments:

Benefit payments under this Section shall be payable bi-weekly. The first payment shall be made on the first day of the month following or coincident with the Participant's Earliest Retirement Age; provided, however, that the surviving Eligible Spouse may elect in writing to defer the commencement of benefits to a later date (but in no event later than the Participant's Normal Retirement Date), in which case the first payment shall be made on the first day of the month following or coincident with the date to which commencement was deferred.

8/7/03

DEATH BENEFITS: PRERETIREMENT SURVIVOR ANNUITY

4-3

4.03 Retired Participant

(1) **Benefit Amount:**

If a Participant who has retired under the provisions of Section 3.01, 3.02, 3.03 or 3.04 dies before benefit payments commence, the surviving Eligible Spouse shall receive a benefit equal to that which would have been payable if the Participant had commenced receiving a 75% joint-and-survivor annuity according to Option D of Section 5.03 on the day before the Participant's date of death. If a retired Participant dies after the benefit commencement date, no death benefit shall be payable, except as provided by the terms (if any) of the annuity form elected.

(2) **Benefit Payments:**

Benefit payments under this Section shall be payable bi-weekly. The first payment shall be made on the first day of the month following the date of the Participant's death; provided, however, that the surviving Eligible Spouse may elect in writing to defer the commencement of benefits to a later date (but in no event later than the Participant's Normal Retirement Date), in which case the first payment shall be made on the first day of the month following or coincident with the date to which commencement was deferred.

8/7/03

SECTION 5

PAYMENT OF BENEFITS

5.01 Normal Form of Benefit Payment

(1) Without Eligible Spouse:

The normal form of benefit payment for a Participant who does not have an Eligible Spouse (Section 1.16) on the date benefit payments begin shall be an annual annuity payable for life, which shall be the Actuarial Equivalent of a 75% joint-and-survivor annuity (Option D of Section 5.03) assuming a Beneficiary equal in age to the Participant.

A Participant may waive the normal form of payment described in the preceding paragraph by electing an option in accordance with Section 5.02, in which case the retirement benefit shall be paid in accordance with the terms of the option elected.

(2) With Eligible Spouse:

The normal form of benefit payment for a Participant who has an Eligible Spouse (Section 1.16) on the date benefit payments begin shall be a 75% joint-and-survivor annuity (i.e., a benefit payable in accordance with Option D of Section 5.03, with the Eligible Spouse, as the Beneficiary, receiving a 75% survivor annuity after the Participant's death).

A Participant may elect, in writing, within the time period specified in Section 5.02, to waive the joint-and-survivor annuity, in which event the retirement benefit shall be payable according to the terms of the option elected. A waiver of the joint-and-survivor annuity will be subject to the following requirements:

- (a) the waiver must be signed by both the Participant and the Eligible Spouse;
- (b) the Eligible Spouse's consent must acknowledge the effect of the waiver; and

PAYMENT OF BENEFITS

5-2

- (c) the Eligible Spouse's consent must be witnessed by a Plan representative or a notary public; provided that spousal consent shall not be required if the Participant provides the Committee with satisfactory evidence that such consent cannot be obtained because:
 - (i) the Participant does not have an Eligible Spouse;
 - (ii) the Eligible Spouse cannot be located; or
 - (iii) such other circumstances as are prescribed by Treasury regulations.

5.02 Election of Optional Retirement Benefits

- (1) Election Right:
 A Participant, together with the Eligible Spouse (if applicable), may elect, or may revoke a prior election and make a new election, at any time within 90 days before benefit payments commence, to have benefits paid under one of the optional methods of payment described in Section 5.03 instead of under the normal form of payment provided in Section 5.01. The benefit shall be paid in accordance with the terms of the option elected.
- (2) Election Information:
 Information concerning the terms and relative financial effect of the options set forth in Section 5.03 shall be provided no later than 90 days before a Participant's benefit commencement date. If this information is not supplied by that date, the Participant shall have 90 days after the time the information is supplied during which to make or revoke an election. If the Participant requests additional information before the end of the 90-day period, the Participant shall have 90 days after the time the additional information is supplied to make or revoke an election.

8/7/03

PAYMENT OF BENEFITS

5-3

- (3) Election and Revocation Procedures:
Written election of any option or revocation of an earlier election and election of a new option by the Participant shall be acknowledged in writing by the Eligible Spouse (if applicable) and shall be filed with and acknowledged in writing by the Committee, in accordance with rules adopted by the Committee and uniformly applied. The date an option is to be made effective shall be stated in the written election.
- (4) Limitations on Elections:
- (a) No option under Section 5.03 may be elected unless the distribution is for a term not exceeding the life expectancy of the Participant or the Participant and Beneficiary (if applicable) measured as of the annuity payment starting date. If the Participant's spouse is not the designated Beneficiary, then the option elected must distribute at least 50% of the Accrued Benefit within the life expectancy of the Participant.
- (b) If the Participant dies after distribution of his(her) interest has commenced, the remaining portion of such interest will continue to be distributed at least as rapidly as under the method of distribution being used prior to the Participant's death.
- (c) If the Participant dies before distribution of his(her) interest commences, the Participant's entire interest will be distributed no later than five years after the Participant's death except to the extent that an election is made to receive distributions in accordance with (i) or (ii) below:
- (i) if any portion of the Participant's interest is payable to a designated Beneficiary, distributions may be made in substantially equal installments over the life or life expectancy of the designated Beneficiary commencing no later than one year after the Participant's death;

8/7/03

PAYMENT OF BENEFITS

5-4

- (ii) if the designated Beneficiary is the Participant's surviving spouse, the date distributions are required to begin in accordance with (i) above shall not be earlier than the Participant's Normal Retirement Date, and, if the spouse dies before payments begin, subsequent distributions shall be made as if the spouse had been the Participant.
- (d) The retirement benefit election by a Participant shall be null and void, and the provisions of Section 5.01, Normal Form of Benefit Payment, shall apply if the Participant's designated Beneficiary should die before benefit payments commence.
- (e) For purposes of Section 5.02(4)(c) above, payments will be calculated by use of the return multiples specified in Section 1.72-9 of the Income Tax Regulations. Life expectancy of a surviving spouse may be recalculated annually. In the case of any other designated Beneficiary, life expectancy will be calculated at the time payment first commences and payments for any 12-consecutive-month period will be based on such life expectancy minus the number of whole years passed since distribution first commenced.

5.03 Description of Options

The amount of any benefit payments under Option A, B or C below shall be the Actuarial Equivalent of the benefit that would otherwise be payable to the Participant in accordance with a 75% joint-and-survivor annuity, assuming a Beneficiary equal in age to the Participant, as described in Option D below:

- (1) Option A — Lump-sum Option: If the single-sum Actuarial Equivalent of a Participant's or surviving Eligible Spouse's vested Accrued Benefit is greater than \$5,000 (or such greater amount as established by future regulation), but not greater than \$10,000, the Participant or surviving Eligible Spouse may elect a single-sum settlement; provided, however, the settlement is made due to termination of Plan participation and constitutes the entire actuarial present value of the vested Accrued Benefit or surviving Eligible

8/7/03

PAYMENT OF BENEFITS

5-5

Spouse's benefit. On January 1, 1996, and on January 1, of each succeeding year, the dollar limitation of this paragraph 5.02(1) in effect on the preceding December 31 (\$12,111 on December 31, 2002) shall be adjusted to reflect any increase in the Consumer Price Index for Urban Consumers (CPI-U) for the 12-months period ended on the preceding September 30, and such adjusted dollar limitation shall be operable for the ensuing calendar year.

- (2) Option B — Life Annuity Option: A bi-weekly retirement benefit payable to the Participant for life.
- (3) Option C — 10-Year-Certain-and-Life Option: A bi-weekly retirement benefit payable to the Participant for life; in the event of death within 10 years after benefit commencement, the same bi-weekly benefit amount shall be payable for the balance of the 10-year period to the Beneficiary.
- (4) Option D — Joint-and-Survivor Option: A bi-weekly retirement benefit payable to the Participant for life, with a previously designated percentage (100%, 75%, 66-2/3% or 50%) of the benefit amount continuing automatically to the Beneficiary for life after the death of the Participant.

5.04 Payment of Small Benefits

If the single-sum value of a Participant's or surviving Eligible Spouse's immediate benefit rights under any provision of Section 3 or Section 4 is \$5,000 or less, or such greater amount as established by future regulation, the Participant or surviving Eligible Spouse shall be paid in a single-sum cash settlement without the Participant's or Eligible Spouse's consent.

5.05 Direct Rollovers

The distributee of a single-sum payment under Section 5.03(1) or Section 5.04 or a refund of Participant Contributions may elect to have any portion of such payment paid directly to an eligible retirement plan specified by the distributee in a direct rollover. An eligible retirement plan is an individual retirement account described in Code Section 408(a), an individual retirement

8/7/03

PAYMENT OF BENEFITS

5-6

annuity described in Code Section 408(b), an annuity plan described in Code Section 403(a), or a qualified trust described in Code Section 401(a) that accepts the distributee's rollover distribution. However, if the distributee is a Participant's surviving Eligible Spouse, an eligible retirement plan is an individual retirement account or individual retirement annuity. The direct rollover election shall be subject to the following restrictions:

- (1) The distributee of an eligible rollover distribution of less than \$200 shall not have the right to elect a direct rollover.
- (2) A distributee may elect a direct rollover of a portion (less than 100%) of an eligible rollover distribution only if the portion to be rolled over equals or exceeds \$500.
- (3) A distributee may elect only one direct rollover for each eligible rollover distribution.

5.06 Designation of Beneficiary

- (1) Each Participant who elects Option C or Option D under Section 5.03 shall, on the form provided for that purpose, signed and filed with the Committee, designate a Beneficiary to receive the benefits, if any, payable in the event of death and may change the designation from time to time before payments commence, each change to be made in writing on a form provided for that purpose and filed with the Committee, revoking any earlier designations by the Participant.
- (2) Beneficiary designations will be governed by the following:
 - (a) If a Participant does not have an Eligible Spouse, then the Participant shall designate a Beneficiary as specified above.
 - (b) If a Participant has an Eligible Spouse, in the absence of any valid designation to the contrary the Eligible Spouse shall automatically be the Beneficiary to the Participant.

8/7/03

PAYMENT OF BENEFITS

5-7

- (c) If a Participant has an Eligible Spouse but wishes to designate someone other than the Eligible Spouse as a Beneficiary, such election may be made subject to the following requirements:
 - (i) the election to designate a Beneficiary other than the Eligible Spouse must be signed by both the Participant and the Participant's Eligible Spouse;
 - (ii) the Eligible Spouse's consent must acknowledge the effect of the election; and
 - (iii) the Eligible Spouse's consent must be witnessed by a Plan representative or a notary public; provided that spousal consent shall not be required if the Participant provides the Committee with satisfactory evidence that such consent cannot be obtained because the Participant does not have an Eligible Spouse, the Participant's Eligible Spouse cannot be located, or such other circumstances as are prescribed by Treasury regulations.
- (d) If, subsequent to the designation of a Beneficiary, a Participant should later (between the time of designation and the time of benefit commencement) acquire an Eligible Spouse but the consent of the then current Eligible Spouse is not received by the Committee, then the automatic election of (b) above will apply—the Eligible Spouse will be the Beneficiary and the prior designation will be deemed revoked.
- (e) If a Participant and the Beneficiary should die as a result of a common disaster, both deaths taking place within 90 days of the disaster, and the Participant had designated a contingent Beneficiary, then the contingent Beneficiary shall receive the commuted value of the Participant's benefit as of the date of death.

8/7/03

PAYMENT OF BENEFITS

5-8

If no Beneficiary is designated in the manner provided above, or if no Beneficiary designated by the Participant survives, the Committee shall direct the payment of remaining benefits, if any, to the Eligible Spouse of the deceased; if none, then to the surviving children of the deceased or on their behalf as provided in Section 10.05, Legally Incompetent; if none, then no further benefits are applicable.

- (3) In the event the Committee is unable to make payments to the Beneficiary designated according to Section 5.06(1), the Committee may elect to have a court of competent authority determine to whom payments should be made.

5.07 When Benefit Payments Must Start

- (1) Payment of retirement benefits shall begin not later than the 60th day after the close of the latest Plan Year in which:
 - (a) the Participant attains age 65;
 - (b) occurs the fifth anniversary of the Participant's commencement of participation; or
 - (c) the Participant terminates employment.

8/7/03

SECTION 6

CONTRIBUTIONS

6.01 Participant Contributions

The Employer shall contribute an amount equal to 2% of each Participant's Earnings to the Fund. Such Contributions shall be made to the Plan by the Employer pursuant to Section 414(h) of the Code and shall be excluded from the Participant's gross income for Federal Income Tax purposes. For all purposes of the Plan, however, such Contributions shall be designated Participant Contributions.

Notwithstanding the preceding paragraph, effective October 1, 2000, the Employer Contribution under Section 414(h) of the Code shall be 1% of each Participant's Earnings, which shall be excluded from the Participant's gross income for Federal income tax purposes, and the Employer shall make an additional contribution of 1% of each Participant's Earnings, all of which shall be designated Participant Contributions for all purposes of the Plan. This provision shall expire on September 30, 2003.

6.02 Employer Contributions

Contributions by the Sponsor and each Participating Affiliate that are deemed necessary to fund the Plan benefits shall be paid to the Trustee on the basis of the recommendations of an actuary. All Contributions shall be irrevocable and shall be used for the exclusive benefit of Participants and their Beneficiaries, subject to the provisions of Section 10.10 of the Plan.

6.03 Funding Policy

The Sponsor shall establish a funding policy and method consistent with Plan objectives and the provisions of the Act, in order that the long-range and short-range financial needs of the Plan may be determined and communicated to the Trustee.

8/7/03

SECTION 7

MANAGEMENT AND ADMINISTRATION

7.01 **Identification of the Fiduciaries**

The parties listed below are the named fiduciaries of the Plan who have authority to control and manage the operation and administration of the Plan.

- (1) The Sponsor
- (2) The Committee
- (3) The Trustee

7.02 **General Fiduciary Duties**

(1) Fiduciaries shall act with the care, skill, prudence and diligence under the circumstances that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims.

(2) In the course of administration of the Plan, fiduciaries may delegate in writing such duties and responsibilities to other parties.

(3) Each fiduciary is responsible for the duties and responsibilities that are specifically allocated to him(her) under this Section 7, and is responsible for no other duties under the Plan.

(4) A fiduciary may serve in more than one fiduciary capacity with respect to the Plan.

7.03 **Responsibilities of the Sponsor**

The Sponsor shall authorize Contributions to the Fund in accordance with Section 6. The Sponsor shall appoint an actuary who shall have the responsibility for the preparation of the actuarial statements. The Sponsor shall appoint the Trustee(s) and the Committee.

8/7/03

1

MANAGEMENT AND ADMINISTRATION

7-2

7.04 Responsibilities of the Committee**(1) Committee Makeup:**

The Plan shall be administered by an administrative committee, referred to as "Committee," consisting of at least three persons (who may be, but need not be, Participants). The members of the Committee shall be appointed by and serve at the pleasure of the Sponsor. Any member of the Committee may resign or may be removed by the Sponsor. Any person appointed to be a member of the Committee shall signify his(her) acceptance in writing to the Sponsor. Any member of the Committee may resign by delivering his(her) written resignation to the Sponsor.

The Sponsor shall designate one member of the Committee as chairman and the Committee may select a secretary (who may be, but need not be, a member of the Committee) to keep records or otherwise to assist in the performance of the Committee's duties. The members of the Committee shall serve without compensation for their services.

A majority of Committee members shall constitute a quorum for the transaction of business at any meeting or, in the event a meeting is not held, by a written resolution.

(2) Committee Administrative Functions:

The Committee shall be responsible for the administrative functions of the Plan. The Committee shall have complete control of the administration of the Plan with all powers necessary to carry out its duties properly. Such powers shall include interpreting the provisions of the Plan and resolving all questions concerning the Plan. The Committee shall determine the eligibility of Participants to benefits of this Plan and the benefits to which any Participant or Beneficiary may be entitled. All interpretations, determinations and decisions of the Committee shall be final, conclusive and binding on Participants and all other persons claiming any interest under the Plan, subject to the claims procedures set forth below. Actions of the Committee shall be made in a uniform and nondiscriminatory manner.

8/7/03

MANAGEMENT AND ADMINISTRATION

7-3

The Committee shall prepare and distribute information concerning the Plan to the Participants in such manner as it shall deem appropriate. Employees and Participants may consult with the Committee on any matter relating to the Plan.

To enable the Committee to perform its functions, the Sponsor shall supply full and timely information on all matters relating to the compensation and employment of all Participants, their retirements, deaths or other causes of termination of employment, and any other pertinent facts required by the Committee.

A Participant applying for benefits shall complete the form(s) required by the Committee.

The Committee shall maintain accounts showing the fiscal transactions of the Plan and shall keep in convenient form such data as may be necessary for actuarial valuations with respect to the operation and administration of the Plan. At the request of the Sponsor, the Committee shall prepare a report annually showing in reasonable summary the financial condition of the Plan, giving a brief account of the operation of the Plan for the past Plan Year, and providing any further information that the Sponsor may require.

The Committee may adopt other rules and regulations as may be appropriate in performing its duties. The Committee shall be entitled to rely upon all tables, valuations, certificates, reports, advice and opinions furnished by the actuary, qualified public accountant, comptroller and attorney selected or approved by the Sponsor.

Subject to the provisions of the Trust Agreement, the Committee shall determine the manner in which funds shall be disbursed.

The Committee may authorize one or more of its members or any agent to make any payment in its behalf, or to execute or deliver any instrument, including a requisition for funds from the Trustee.

8/7/03

MANAGEMENT AND ADMINISTRATION

7-4

7.05 Responsibilities of the Trustee

The Trustee shall discharge its duties and responsibilities as set forth in the Trust Agreement.

7.06 Claims Procedure

(1) Initial Stage:

In the event the Committee denies a claim for benefits submitted by a Participant or Beneficiary ("Claimant"), the Committee shall provide adequate notice in writing to the Claimant within a reasonable time after receipt of the claim, setting forth, in a manner calculated to be understood by the Claimant, the following:

- (a) specified reason(s) for the denial;
- (b) specific reference(s) to Plan provisions on which the denial is based;
- (c) a description of any materials or information necessary to perfect the claim and why they are necessary; and
- (d) an explanation of the review procedure of the Plan.

(2) Appellate Stage:

A Claimant shall have 60 days to appeal a denial of a claim for benefits to the Committee. A Claimant or his duly authorized representative must request an appeal in writing to the Committee and shall be allowed to review pertinent documents and submit issues and comments in writing. The Committee shall afford the Claimant a full and fair review of the claim for benefits, and shall make a decision on review as promptly as possible, but in no event later than 60 days following the written request for review. The decision on review shall be in writing and shall include specific reasons for the decision and specific references to Plan provisions on which the decision is based, and shall be written in a manner calculated to be understood by the Claimant.

8/7/03

SECTION 8

TRUST FUND AND TRUSTEE

8.01 Trust Fund

The assets of the Fund shall be administered by the Trustee in accordance with the provisions of the Trust Agreement. The Fund shall consist of all Employer and Participant Contributions to the Fund, as provided in Section 6, and earnings from investments.

8.02 Amendment of Trust Agreement

The Sponsor shall have the right at any time, by an instrument in writing duly executed, acknowledged and delivered to the Trustee, to modify, alter or amend the Plan and the Trust Agreement, in whole or in part; provided, however, that the duties, powers or liability of the Trustee shall not be substantially increased without its written consent. No amendment shall cause any part of the principal or income of the Fund to revert to the Sponsor, except as provided in Section 10.10.

8.03 Discontinuance of Trust Agreement

The Sponsor expressly reserves the right to terminate the Plan and Trust Agreement at any time. On termination of the Plan, in whole or in part, the Trustee shall, on instructions from the Committee, continue to administer the Fund until all benefits for affected Participants and their Beneficiaries have been provided, in accordance with Section 9.04. The Trust Agreement may then be terminated, and any remaining funds shall be deemed to be due to actuarial error in accordance with the Internal Revenue Service regulations and shall revert to the Employer.

8/7/03

SECTION 9**AFFILIATE ADOPTION, AMENDMENT AND TERMINATION****9.01 Adoption of the Plan by an Affiliate**

- (1) Any other separate system that on or after the Plan's Effective Date is an Affiliate shall be authorized to adopt the Plan for the benefit of its eligible Employees, if approval of JEA is obtained.
- (2) In order to adopt the Plan, the Affiliate must approve a resolution expressly adopting the Plan for the benefit of its eligible Employees, and complete and execute a Participation Agreement. The resolution shall also authorize the treasurer or other appropriate officer of the Affiliate to make the necessary Contributions to provide for the benefits of Participants who are employed by the Affiliate. The resolution of the Affiliate shall delegate to the Sponsor authority to administer the Plan and, if necessary, to enter into a Trust Agreement with one or more persons and to take any other steps necessary or advisable in connection with the administration and implementation of the Plan.
- (3) A certified copy of the resolution and executed Participation Agreement shall be provided to the Sponsor and shall be deemed to constitute the adoption of the Plan by the Affiliate as of the date specified in its resolution.

9.02 Termination of Plan Participation by an Affiliate

JEA reserves the right to terminate participation by a Participating Affiliate in the Plan at any time solely with respect to such Affiliate's Employees and Participants.

Upon termination of participation, the provisions of paragraphs (1) and (2) of this Section 9.02 shall apply in order to determine the portion of the Fund attributable to the withdrawing Participating Affiliate. The portion so determined shall be applied in accordance with the terms of the successor plan (if any). The Participating Affiliate terminating its participation in the

8/7/03

AFFILIATE ADOPTION, AMENDMENT AND TERMINATION

9-2

Plan shall have no obligation or liability, whatsoever, to make any further payments under the Plan.

- (1) Spin-off of Plan participation by adoption of a successor plan:
 - (a) An Affiliate may elect to adopt a successor retirement plan for its Employees, provided that:
 - (i) such adoption is made as an amendment in its entirety to this Plan;
 - (ii) such adoption satisfies the requirements of Section 10.11, Merger;
 - (iii) such adoption does not result in a plan termination with respect to such Affiliate;
 - (iv) the successor plan assumes all liabilities for benefits otherwise payable under this Plan.
 - (b) In the event an Affiliate adopts a successor plan, the Trustee shall transfer to the trustee of the successor plan the portion of Fund assets attributable to such Affiliate's liabilities for benefits under this Plan. Unless otherwise specified in the directors' resolution authorizing the spin-off, assets attributable to such Affiliate's liabilities shall be determined as follows:
 - (i) If assets exceed the actuarial present value ("APV") of Accrued Benefits for all Participants in the Plan, assets attributable to the Affiliate shall be equal to the total assets in the Plan multiplied by the ratio of the APV of Accrued Benefits of all Participants of such Affiliate to the APV of the Accrued Benefits of all Participants in the Plan.
 - (ii) If assets exceed the APV of vested Accrued Benefits, but do not exceed the APV of all Accrued Benefits, assets

8/7/03

AFFILIATE ADOPTION, AMENDMENT AND TERMINATION

9-3

attributable to the Affiliate shall be equal to the APV of vested Accrued Benefits for all Participants of the Affiliate, plus total assets in excess of the APV of vested Accrued Benefits for all Participants of the Plan multiplied by the ratio of the APV of nonvested Accrued Benefits for all Participants of the Affiliate to the APV of nonvested Accrued Benefits for all Participants in the Plan.

- (iii) If assets do not exceed the APV of vested Accrued Benefits for all Participants in the Plan, assets attributable to the Affiliate shall be equal to total assets multiplied by the ratio of the APV of vested Accrued Benefits for all Participants of the Affiliate to the APV of vested Accrued Benefits for all Participants in the Plan.

(2) Termination of Plan participation with no successor plan:

In the event an Affiliate terminates Plan participation and has no successor plan, all affected Participants shall be entitled to the applicable benefits as specified in Section 3, determined as if employment had terminated on the date of termination of Plan participation.

In the event that an Affiliate's termination of participation results in a partial termination of the Plan, the rights of all affected Participants to Accrued Benefits determined as of the date of such partial termination shall be nonforfeitable to the extent funded.

9.03 Amendment of the Plan

The Sponsor has the right at any time by action of JEA to amend any or all of the provisions of the Plan or terminate the Plan in its entirety either with respect to itself or any Participating Affiliate; provided that no amendment shall authorize or permit any part of the Fund to be diverted for purposes other than for the exclusive benefit of Participants and their Beneficiaries. Also, no amendment shall cause any portion of the Fund to revert to the Employer, except such amounts as may remain in the Fund after termination

8/7/03

AFFILIATE ADOPTION, AMENDMENT AND TERMINATION

9-4

of the Plan and after all liabilities under the Plan have been satisfied in accordance with Section 9.04.

Any Plan amendment that changes any vesting schedule under the Plan shall not reduce the nonforfeitable percentage of any Participant's Accrued Benefit (determined as of the later of the date such date such amendment is adopted or becomes effective). Any Plan amendment that eliminates an optional form of benefit will not be effective with respect to the Accrued Benefits of Participants as of the amendment effective date.

9.04 Termination of the Plan

- (1) The Sponsor expects this Plan to be continued indefinitely but, of necessity, reserves the right by action of JEA to terminate the Plan and Contributions to the Plan at any time. In the event of the termination or partial termination of the Plan, the rights of all affected Participants to Accrued Benefits determined as of the date of such termination or partial termination, to the extent funded as of such date, shall be nonforfeitable. No such action shall alter the Plan or its operation with respect to Participants who have previously retired under this Plan.
- (2) In the event of a dissolution, merger or consolidation without any provision being made for the continuance of the Plan, the Plan shall terminate, and the Trustee shall proceed in the manner herein provided.
- (3) Upon receipt of written notice of termination, the Committee shall arrange for the Fund to be apportioned and distributed after preparing a list of Participants, showing for each, as of the date of Plan termination, the following:
 - (a) For each Participant and Beneficiary receiving payment of benefits, the amount and terms of such benefits.
 - (b) For each terminated Participant entitled to a deferred benefit, the amount, commencement date and terms of payment of such benefit.

8/7/03

AFFILIATE ADOPTION, AMENDMENT AND TERMINATION

9-5

- (c) For each active Participant, the amount of his(her) Accrued Benefit.
- (4) In the event of termination of the Plan, the Committee shall allocate the assets of the Fund among the applicable Participants and their Beneficiaries under the Plan in the following order:
- Priority Class (A): The portion of Participants' Accrued Benefits that is derived from Participant Contributions.
- Priority Class (B): In the case of benefits payable as an annuity, equally among Participants and Beneficiaries whose benefits were in pay status.
- Priority Class (C): Equally among active Participants who are eligible for Normal Retirement but have not yet retired.
- Priority Class (D): Equally among all other vested Accrued Benefits of both active and terminated Participants.
- Priority Class (E): All other nonvested Accrued Benefits under the Plan.

The Committee shall distribute the assets of the Fund to provide in full the benefits in each priority class. If the assets are insufficient to provide the benefits in full for any class, such assets are to be allocated in full to provide such uniform percentage of benefits to the extent possible. Any residual assets of the Plan (after all liabilities of the Plan to Participants and their Beneficiaries have been satisfied) shall be returned to the Employer.

- (5) On termination of the Plan, if the Sponsor establishes or participates in an appropriately qualified employee pension or annuity plan ("successor plan") for the benefit of Participants in this Plan who are or were Employees of the Sponsor or any Participating Affiliate, and the successor plan provides minimum benefits that are not less in value than the Plan termination

8/7/03

AFFILIATE ADOPTION, AMENDMENT AND TERMINATION

9-6

- benefits, then the Sponsor or any Participating Affiliate may elect to transfer the designated asset amounts to the successor plan.

8/7/03

SECTION 10

MISCELLANEOUS

10.01 Headings

The headings and subheadings in this Plan have been inserted for convenience of reference only and are to be ignored in any construction of Plan provisions.

10.02 Construction

In the construction of this Plan, the masculine shall include the feminine and the singular the plural in all cases where such meanings would be appropriate.

10.03 Assignment and Alienation of Benefits

No benefits paid to a Participant or Beneficiary shall be subject to the claim of or any legal process of any creditor of the Participant or Beneficiary, except as provided under Section 10.04. No Participant or Beneficiary shall have any right to alienate, commute or assign any benefit distributions. If any Participant shall attempt to dispose of his(her) benefits or the right to receive such benefits, or in the event there should be an effort to seize such benefits or the right to receive such benefits by attachment, execution or other legal or equitable process, except as provided under Section 10.04, such a right may be transferred, at the discretion of the Committee, to the Beneficiary, if any, designated by the Participant, or to the spouse, children, or other dependents of the Participant, in such shares as the Committee may appoint. The Committee may revoke its appointment at any time and make further appointments, which may include the Participant.

10.04 Qualified Domestic Relations Order

The restrictions of Section 10.03, Assignment and Alienation of Benefits, shall not apply to a Qualified Domestic Relations Order ("QDRO") as defined in Code Section 414(p), and those other domestic relations orders permitted to be so treated by the Committee in accordance with the provisions of the Retirement Equity Act of 1984. Further, to the extent provided under a

8/7/03

MISCELLANEOUS

10-2

QDRO, a former spouse of a Participant shall be treated as the spouse or surviving spouse for all purposes of the Plan.

The provisions of the Plan shall be fully applicable to any alternate payee entitled to benefits pursuant to a QDRO, subject only to the express terms of such order. Copies of documents, announcements, descriptive materials and other general information given to or generally made available to Participants under the Plan which the Committee determines, in its sole discretion, would be applicable to or affect an alternate payee shall be furnished to the alternate payee.

With respect to the administration of the Plan as applied to alternate payees:

- (1) None of the payments, benefits or rights of any alternate payee shall be subject to any claim of any creditor, and, in particular, to the fullest extent permitted by law, all such payments, benefits and rights shall be free from attachment, garnishment, trustee's process or any other legal or equitable process available to any creditor of such alternate payee. No alternate payee shall have the right to alienate, anticipate, commute, pledge, encumber or assign any of the benefits or payments to be received contingently or otherwise, under the Plan, and the provisions of Section 10.03 prohibiting the alienation or assignment of benefits by a Participant or his(her) beneficiary shall be fully applicable to every alternate payee under a QDRO.
- (2) Alternate payees shall have the right to exercise any election, privilege, option or direction rights of a Participant under the Plan.
- (3) Except as specifically provided for in a QDRO, an alternate payee shall have no right to interfere with the exercise by the Participant or by any beneficiary of their respective rights, privileges and obligations under the Plan.

10.05 Legally Incompetent

If any Participant or Beneficiary is a minor or, in the judgment of a court of competent jurisdiction, is otherwise legally incapable of personally receiving

8/7/03

MISCELLANEOUS

10-3

and giving a valid receipt for any payment due him(her), the Committee may, unless claim shall have been made by a duly appointed guardian, direct that the payments be made to such person's spouse, child, parent, brother or sister, or any other person who certifies in writing to the Committee that he(she) has assumed responsibility for the expenses of such Participant or Beneficiary.

10.06 Discrimination

The Sponsor, through the Committee, shall administer the Plan in a uniform and consistent manner with respect to all Participants and shall not permit discrimination in favor of officers, stockholders or highly paid Participants.

10.07 Forfeitures

Forfeitures arising from any cause shall not be applied to increase the benefits any Participant would otherwise receive. Forfeitures shall be applied to reduce the current or future year's Contributions.

10.08 Disappearance of Participant or Beneficiary

Should a Participant or Beneficiary receiving or entitled to receive benefits disappear and fail to respond within 60 days to a written notice sent by the Committee by registered or certified mail, informing him(her) of the entitlement to receive benefits, the Committee may pay such benefits, or any portion thereof that the Committee determines to be appropriate, to the dependents of the Participant or Beneficiary, whichever is applicable, with regard to the needs of such dependents, until such Participant or Beneficiary is located or until such benefits have been paid in full, whichever occurs first.

10.09 Compliance with Applicable Laws

The Sponsor, through the Committee, shall interpret and administer the Plan in such manner that the Plan shall remain in compliance with Sections 401 and 501 of the Code and all other applicable laws, regulations and rulings.

10.10 Return of Plan Assets to the Sponsor

The assets of the Plan shall be held for the exclusive purpose of providing benefits to Participants and their Beneficiaries, and shall never be returned to the Sponsor except:

8/7/03

MISCELLANEOUS

10-4

- (1) where the contribution was conditioned on the initial qualification of the Plan by the Internal Revenue Service, such contribution may be returned within one year after the date of denial of qualification of the Plan;
- (2) in accordance with Section 9.04;
- (3) where the contribution was made by a mistake of fact, such contribution shall be returned within one year after payment of such contribution; or
- (4) where the contribution was conditioned upon the deductibility of the contribution under the Code, such contribution, to the extent disallowed, may be returned upon request within one year of the denial.

10.11 Merger

In the event of any merger or consolidation of the Plan with any other Plan, or the transfer of assets or liabilities by the Plan to another Plan, each Participant shall be entitled to receive (assuming that the Plan then terminated) a benefit immediately after the merger, consolidation or transfer that is equal to or greater than the benefit such Participant would have been entitled to receive immediately before the merger, consolidation or transfer (assuming that the Plan had then terminated), provided such merger, consolidation or transfer took place after the Effective Date.

10.12 Not a Contract of Employment

The Plan shall not be deemed to constitute a contract between the Employer and any Participant or other person in the employ of the Employer, nor shall anything herein contained be deemed to give any Employee any right to be retained in the employ of the Employer, or to interfere with the right of the Employer to discharge any Employee at any time, and to treat him(her) without regard to the effect such treatment might have upon him(her) as a Participant in the Plan.

8/7/03

MISCELLANEOUS

10-5

10.13 Internal Revenue Service Approval

This Plan is made on the condition that the Plan shall be approved and qualified by the Internal Revenue Service as meeting the requirements of the Code and the regulations issued thereunder. In the event qualification is not obtained or cannot be obtained by amendment, this Plan shall become null and void and of no effect.

10.14 Indemnity

The Sponsor hereby agrees to assume liability for, and does hereby indemnify, protect, save and keep harmless each member of the Committee and his(her) respective successors and assigns from and against any and all liabilities, obligations, losses, expenses, damages, penalties, taxes, claims, actions, suits, costs, expenses or disbursements (including legal fees and expenses) of any kind and nature whatsoever that may be imposed on, incurred by or asserted against such member (whether or not such member is also indemnified by any other person) that in any way relate to or arise out of this Plan or the administration of the Plan or Fund, or the action or inaction of such member hereunder, except only in the case of willful misconduct or gross negligence on the part of such member in the performance of his(her) duties.

10.15 Adjustments

If, after benefits have become payable under this Plan, the Committee determines that the age, sex, period of service or any other relevant fact with respect to a Participant or Beneficiary has been misstated, the retirement annuity shall be adjusted to that which would have been payable on the basis of the facts. Any overpayment by the Fund, together with interest at the rate of five percent (5%) per year, shall be charged against any further payments to be made; any underpayment of prior payments, together with interest at the rate of five percent (5%) per year, will be paid in a single sum to the person entitled to receive such distribution.

8/7/03

IN WITNESS WHEREOF, the Sponsor has caused this Plan to be duly executed as of the 21 day of August, 2003, but effective as of the first day of October 2002.

SPONSOR: ST. JOHNS RIVER POWER PARK SYSTEM

BY: William Reynolds

ATTEST:

8/7/03

**AMENDMENT NO. 1
TO
ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN**

WHEREAS, St. Johns River Power Park System ("SJRPP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated, and is currently in effect; and

WHEREAS, SJRPP desires to amend the Plan with respect to Participants actively employed on or after October, 1, 2003, to increase the maximum benefit service credit to 30 years; to provide for unreduced normal retirement benefits at 30 years' service regardless of age; to provide 1% annual cost-of-living increases for future retirees beginning five years after retirement; to provide that there be no age-differential actuarial adjustment to joint-and-survivor forms of benefit for spouse's age within five years of Participant's age; to provide for normal retirement at age 55, regardless of service, if the plant should be closed, shut down, or sold; to increase the accrued benefit formula multiplier to 2% for the first 15 years and 2.4% for the next 15 years; to provide that Participant Contributions shall be 4% of Earnings, which shall be picked up by SJRPP under IRS Section 414(h); and

WHEREAS, Section 9.03 of the Plan grants SJRPP the authority to amend the Plan by action of JEA; and

WHEREAS, JEA has approved and authorized the amendment embodied herein;

NOW, THEREFORE, in consideration of the premises and acting under the powers reserved in the Plan, SJRPP hereby amends the Plan with respect to Participants actively employed on or after October, 1, 2003, as follows:

1. Section 1.01, Accrued Benefit, shall be deleted in its entirety and replaced with the following:

1.01 Accrued Benefit

means the annual retirement benefit a Participant has accrued as of any specified date, payable beginning at the Normal Retirement Date in the form of a 75% joint-and-survivor annuity, assuming a spouse within five years of age of the Participant (according to Section 5.03(4)).

The Accrued Benefit is the sum of (1), (2) and (3) below, where:

- (1) is 2.00% of Final Average Earnings multiplied by the number of years of Benefit Service, not to exceed 15 years;

- (2) is 2.40% of Final Average Earnings multiplied by the number of years of Benefit Service in excess of 15 years but not exceeding 30 years; and
- (3) is .65% of the excess of Final Average Earnings over Social Security Average Wages, multiplied by the number of years of Benefit Service, not to exceed 35 years.

In no event shall the Accrued Benefit be less than the Accrued Benefit earned as of September 30, 2003, determined under the provisions of the Plan in effect as of that date.

2. Section 1.02, Actuarial Equivalent, shall be amended by deleting subsections (4), (5), (6) and (7) and replacing them with the following:

- ~~(4) For benefits payable in the form of a 50% joint-and-survivor annuity, a benefit equal to 106.4% of that otherwise payable as a 75% joint-and-survivor annuity if the Beneficiary's age is within five years of Participant's age. If the Beneficiary is more than five years younger than the Participant, 1% will be subtracted from the 106.4% for each year younger in excess of five. If the Beneficiary is more than five years older than the Participant, 1% will be added to the 106.4% for each year older in excess of five, but not more than 118.1%.~~
- (5) For benefits payable in the form of a 66-2/3% joint-and-survivor annuity, a benefit equal to 104.3% of that otherwise payable as a 75% joint-and-survivor annuity if the Beneficiary's age is within five years of Participant's age. If the Beneficiary is more than five years younger than the Participant, 1% will be subtracted from the 104.3% for each year younger in excess of five. If the Beneficiary is more than five years older than the Participant, 1% will be added to the 104.3% for each year older in excess of five, but not more than 118.1%.
- (6) For benefits payable in the form of a 75% joint-and-survivor annuity, a benefit equal to 100% of that otherwise payable as a 75% joint-and-survivor annuity if the Beneficiary's age is within five years of Participant's age. If the Beneficiary is more than five years younger than the Participant, 1% will be subtracted from the 100% for each year younger in excess of five. If the Beneficiary is more than five years older than the Participant, 1% will be added to the 100% for each year older in excess of five, but not more than 118.1%.

- (7) For benefits payable in the form of a 100% joint-and-survivor annuity, a benefit equal to 94.7% of that otherwise payable as a 75% joint-and-survivor annuity if the Beneficiary's age is within five years of Participant's age. If the Beneficiary is more than five years younger than the Participant, 1% will be subtracted from the 94.7% for each year younger in excess of five. If the Beneficiary is more than five years older than the Participant, 1% will be added to the 94.7% for each year older in excess of five, but not more than 118.1%.

3. Section 1.26, Normal Retirement Date, shall be deleted in its entirety and replaced with the following:

1.26 Normal Retirement Date

means (1) the date on which a Participant has completed five years of Vesting Service and attained age 65, or (2) the date on which a Participant has completed 20 years of Vesting Service and attained age 55, or (3) the date on which a Participant has completed 30 years of Vesting Service; provided, however, that in the event the power plant is shut down or sold, the Normal Retirement Date shall be the date a Participant attains age 55.

4. Section 1.37, Vesting Service, shall be amended by adding the following as the last paragraph:

Effective October 1, 2003, an Employee may elect to purchase Vesting Service credit for years of prior "co-op" employment with JEA that involved assignment to the SJRPP project, in which 1,000 Hours of Employment were earned, by paying to the Plan an amount equal to the then applicable Participant Contribution rate (currently 4%) times Earnings as of the date of purchase. Such election to purchase may be made by making application to the Committee within two years following the effective date of this provision or within two years following the Employee's date of employment as a regular Employee, if later. Payment for Vesting Service credit purchased pursuant to this paragraph may be made through payroll deductions not exceeding five years in length or through lump-sum payments, or a combination of both.

5. A new Section 3.07, Cost-of-Living Increases, shall be added to read as follows:

3.07 Cost-of-Living Increases

A Participant who retires on or after October 1, 2003, under the provisions of Section 3.01, 3.02 or 3.03 shall be entitled to a 1% per year cost-of-living

5. A new Section 3.07, Cost-of-Living Increases, shall be added to read as follows:

3.07 Cost-of-Living Increases

A Participant who retires on or after October 1, 2003, under the provisions of Section 3.01, 3.02 or 3.03 shall be entitled to a 1% per year cost-of-living increase in his or her benefit amount commencing on the October 1 following the fifth anniversary of payment commencement.

6. Section 6.01, Participant Contributions, shall be deleted in its entirety and replaced with the following:

6.01 Participant Contributions

Effective October 1, 2003, an amount equal to 4% of each Participant's Earnings shall be excluded from the Participant's gross income for Federal Income Tax purposes, and contributions in the amount of such exclusions shall be made to the Plan by the Employer pursuant to Section 414(h) of the Code. For all purposes of the Plan, however, such Contributions shall be designated Participant Contributions.

IN WITNESS WHEREOF, SJRPP has caused this Amendment to be duly executed by its duly authorized officer this 16th day of September 2003, effective as of October 1, 2003.

ST. JOHNS RIVER POWER PARK SYSTEM

By: _____

James E. England
JEA Board Chairman

ATTEST:

Cathy L. Barnwell

Form Approved

[Signature]
Office of General Counsel

#1

**RESOLUTION AMENDING THE
ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002
AND READOPTED ON AUGUST 21, 2003**

WHEREAS, St. Johns River Power Park System ("SJRP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated effective October 1, 2002, and readopted on August 21, 2003, and is currently in effect; and

WHEREAS, SJRP wishes to make additional beneficial changes to the Plan, effective October 1, 2003, to wit:

1. Change the Normal Retirement Date to be (A) attainment of age 65 and completion of five years of Vesting Service, or (B) attainment of age 55 and completion of 20 years of Vesting Service, or (C) completion of 30 years of Vesting Service; provided that in the event of plant shut down the Normal Retirement Date shall be the date the Participant attains age 55, regardless of service.
2. Change the Accrued Benefit formula to the sum of (A) a unit credit accrual of 2% of average earnings per year of service, not to exceed 15 years, (B) 2.40% of average earnings per year of service exceeding 15 years, not to exceed 30 years, and (C) 0.65% of the excess of Final Average Earnings over Social Security Average Wages multiplied by the years of Benefit Service, not to exceed 35 years.
3. Provide 1% cost-of-living increases for future retirees, commencing five years after retirement.
4. Provide that there shall be no age-differential actuarial adjustment to joint-and-survivor forms of benefit where the Beneficiary's age is within five years of the Participant's age.
5. Provide for the option to purchase Vesting Service credit for JEA co-op employment by paying to the Plan an amount equal to the then applicable Participant Contribution rate times the then current Earnings per year of service purchased.

WHEREAS, SJRP employees will continue to fund the Plan at an increased rate of 4% of their base earnings, and SJRP will fund all additional costs of implementing the above described enhancements to the Plan; and the total increased SJRP cost of funding these enhancements for Plan Year 2003/04 is projected as approximately

\$418,000, which said costs can be covered under the existing 2003/04 SJRPP aggregate budget; and

WHEREAS, the attached AMENDMENT NO. 1 TO THE ST. JOHNS RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN codifies the amendments approved in this resolution; and

WHEREAS, JEA has approved and authorized the amendments embodied herein;

NOW, THEREFORE, after full consideration and acting under the powers reserved in the Plan, SJRPP hereby adopts the attached Amendment No. 1 to the St. Johns River Power Park System Employees' Retirement Plan. Nothing contained herein is intended to affect the rights of any employee who has retired prior to October 1, 2003, or who has vested and left the service of the SJRPP prior to October 1, 2003.

IN WITNESS WHEREOF, SJRPP has caused this Resolution to be duly executed by its duly authorized officer this 16th day of September, 2003, effective as of October 1, 2003.

ST. JOHNS RIVER POWER PARK SYSTEM

By:

James E. England
James E. England
JEA Board Chairman

ATTEST:

Cathy L. Darnwell

Form Approved

[Signature]
Office of General Counsel

**AMENDMENT NO.2
TO
ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002
AND READOPTED ON AUGUST 21, 2003**

WHEREAS, St. Johns River Power Park System ("SJRPP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated effective October 1, 2002, and readopted on August 21, 2003, and is currently in effect; and

WHEREAS, SJRPP desires to amend the Plan to eliminate automatic payment of lump sums under \$5,000 and to make all lump-sum payments optional, up to the Plan's current dollar limit on lump sums; and

WHEREAS, Section 9.03 of the Plan grants SJRPP the authority to amend the Plan by action of JEA; and

WHEREAS, JEA has approved and authorized the amendment embodied herein;

NOW, THEREFORE, in consideration of the premises and acting under the powers reserved in the Plan, SJRPP hereby amends the Plan effective March 28, 2005, as follows:

1. Section 5.03, Description of Options shall be amended by deleting subparagraph (1) in its entirety and replacing it with the following:

(1) Option A — Lump-sum Option: If the single-sum Actuarial Equivalent of a Participant's or surviving Eligible Spouse's vested Accrued Benefit is not greater than \$10,000, the Participant or surviving Eligible Spouse may elect a single-sum settlement; provided, however, the settlement is made due to termination of Plan participation and constitutes the entire actuarial present value of the vested Accrued Benefit or surviving Eligible Spouse's benefit. On January 1, 1996, and on January 1 of each succeeding year, the *dollar* limitation of this paragraph 5.02(1) in effect on the preceding December 31 shall be adjusted to reflect any

increase in the Consumer Price Index for Urban Consumers (CPI-U) for the 12-month period ending on the preceding September 30, and such adjusted dollar limitation shall be operable for the ensuing calendar year.

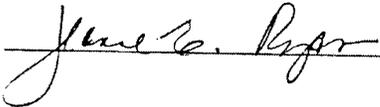
2. Section 5.04, Payment of Small Benefits, shall be deleted in its entirety.
3. Section 5.05, Direct Rollovers shall be amended by deleting the words "or Section 5.04" from the first sentence.

IN WITNESS WHEREOF, SJRPP has caused this Amendment to be duly executed by its duly authorized officer this 16th day of January 2007, effective as of March 28, 2005.

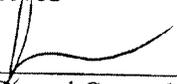
ST. JOHNS RIVER POWER PARK SYSTEM

By: 

ATTEST:



Form Approved


Office of General Counsel

**RESOLUTION AMENDING THE
ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002
AND READOPTED ON AUGUST 21, 2003**

WHEREAS, St. Johns River Power Park System ("SJRPP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated effective October 1, 2002, and readopted on August 21, 2003, and is currently in effect; and

WHEREAS, SJRPP wishes to eliminate the automatic payment of lump sums under \$5,000 and to make all lump sum payments under the Plan optional, up to the Plan's current dollar limit on lump sums; and

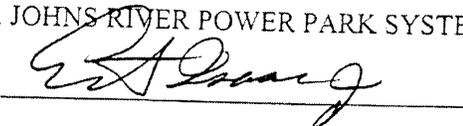
WHEREAS, the attached AMENDMENT NO. 2 TO THE ST. JOHNS RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN codifies the amendment approved in this resolution; and

WHEREAS, JEA has approved and authorized the amendment embodied herein;

NOW, THEREFORE, after full consideration and acting under the powers reserved in the Plan, SJRPP hereby adopts the attached Amendment No. 2 to the St. Johns River Power Park System Employees' Retirement Plan.

IN WITNESS WHEREOF, SJRPP has caused this Resolution to be duly executed by its duly authorized officer this 16th day of January 2007, effective as of March 28, 2005.

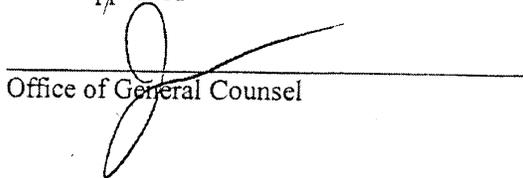
ST. JOHNS RIVER POWER PARK SYSTEM

By: 

ATTEST:



Form Approved


Office of General Counsel

III - C - 1
01-16-07



APPROVED
By the JEA Board
At its meeting of 01-16-07

INTER-OFFICE CORRESPONDENCE

December 13, 2006

SUBJECT: SJRPP EMPLOYEES' RETIREMENT PLAN – AMENDMENT #2

FROM: Jim Dickenson, Managing Director/CEO

TO: JEA Human Resources and Technology Services Committee

Dr. Leroy Polite, Chairman
Jay Fant, Vice Chairman
Cynthia Austin
J.D. Collins
Cathy Whatley

BACKGROUND:

There has been an IRS rule change for Plans that provide for automatic payment of benefits in a lump sum, either through a cash payment or a rollover to an IRA account, if benefit values are less than \$5,000. If a Plan member does not make a positive election to select the lump sum, rollovers to IRAs are now mandatory. The Plan can no longer just write a check and send it out in completion of its obligations. We would like to avoid being forced to set up IRA rollover accounts when the member does not make any election; instead, we would like to make all lump-sum payments optional, up to the Plan's current dollar limit on lump sums. We would delete the automatic cashout provision. If the member does not elect to take his benefits, they will now remain in the Plan as a deferred liability.

DISCUSSION:

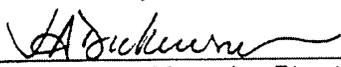
SJRPP Pension Plan document, Section 5.03(1) reads: If the single-sum actuarial equivalent of a participant's or surviving eligible spouse's vested accrued benefits is greater than \$5000, but not greater than \$10,000, the participant or surviving eligible spouse may elect a single-sum settlement;

We would like to change Section 5.03(1) as follows: If the single-sum actuarial equivalent of a participant's or surviving eligible spouse's vested accrued benefit is not greater than \$10,000, the participant or surviving eligible spouse may elect a single-sum settlement;

By changing the words as recommended as well as deleting Section 5.04 and modifying 5.05 reflecting the deleted section, this would put us in compliance with the new change in IRS rules.

RECOMMENDATION:

We recommend that the Board approve the revisions to 5.03(1) as well as deleting Section 5.04 and modifying 5.05 as indicated in Amendment No.2 attached.



Jim Dickenson, Managing Director/CEO

JAD/BH

Actuarial Concepts

Management Advisors

Benefit Specialists

July 28, 2005

Mr. William F. Hegeman
Director, Employee Services
JEA
21 West Church Street
Jacksonville, Florida 32202

Dear Bill:

**ST. JOHNS RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN
AMENDMENT NO. 2**

Enclosed are a Resolution and Amendment to eliminate the automatic payment of lump sums valued at less than \$5,000. As discussed in the March 10 pension meeting, the purpose of the amendment is to obviate the requirement to set up automatic rollovers to IRAs where participants who would get an automatic lump sum fail to make an election with regard to rollovers.

Participants will still have the option to elect a lump-sum distribution if the lump-sum value of their benefit does not exceed the current plan limit (for 2005, \$12,700).

Please provide us with signed copies of the Resolution and Amendment for our files. If you have any questions, please call me.

Sincerely,



Diana McCormick

cjg

Enclosures

3020 Hartley Rd., Suite 250, Jacksonville, FL 32257
Phone: (904) 262-3020, Fax: (904) 268-3374
Email: ac@actuarialconcepts.com

#3

II-A-1
5-20-08

**AMENDMENT NO. 3
TO
ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002
AND READOPTED ON AUGUST 21, 2003**

WHEREAS, St. Johns River Power Park System ("SJRPP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated effective October 1, 2002, and readopted on August 21, 2003, and is currently in effect; and

WHEREAS, SJRPP wishes to enhance the benefits provided by the Plan by creating a partial lump-sum payment option and by creating a retroactive, deferred retirement election option; and

WHEREAS, Section 9.03 of the Plan grants SJRPP the authority to amend the Plan by action of JEA; and

WHEREAS, JEA has approved and authorized the amendment embodied herein;

NOW, THEREFORE, in consideration of the premises and acting under the powers reserved in the Plan, SJRPP hereby amends the Plan effective 20-May-2008 as follows:

1. Create new Section 5.03(5), Option E, Partial Lump-Sum Option, as follows:
 - (5) Option E — Partial Lump-Sum Option:
 - (a) The Participant may elect to receive up to fifteen percent (15%) in increments of five percent (5%) of the actuarial present value of the Participant's retirement benefits as a one-time, lump-sum payment upon retirement, with the Participant's remaining retirement benefits to be paid according to the terms of the annuity option elected that shall be actuarially reduced to reflect the lump-sum payment made to the Participant.
 - (b) A Participant who elects a partial lump sum under Option E shall not be eligible, entitled or permitted to participate in the BACKDROP set forth in Section 5.08. A Participant who elects to participate in the BACKDROP shall not be permitted to elect a partial lump sum under Option E.

2. Modify Section 5.05 in the first sentence of the first paragraph by adding a reference to Section 5.03(5), as follows:

The distributee of a single-sum payment under Section 5.03(1), Section 5.03(5) or Section 5.04 or a refund of Participant Contributions may elect to have any portion of such payment paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

3. Create new Section 5.08, BACKDROP, as follows:

- (1) There is hereby created a BACKDROP retirement option (the "BACKDROP") to the Plan, which shall allow any Participant who has worked beyond Normal Retirement Date to retire and elect retirement benefits calculated as if the Participant had actually retired at an earlier date as provided under Section 5.08(4).
- (2) A Participant shall forgo the accrual of additional benefits under the Plan after the commencement of the BACKDROP Period in exchange for the BACKDROP benefit.
- (3) An eligible Participant may elect to participate in the BACKDROP by submitting the following: (i) a signed and dated letter of resignation, and (ii) a properly completed BACKDROP retirement application.
- (4) A Participant's BACKDROP Period shall not (i) commence at any date earlier than the Normal Retirement Date and (ii) exceed sixty (60) months, and shall end on the date of retirement.
- (5) (a) The Participant's BACKDROP benefit is equal to the accumulation of retirement benefits the Participant would have received over the BACKDROP Period had the Participant actually retired at the commencement of the BACKDROP Period plus the amount of interest to be credited pursuant to Section 5.08(5)(b) below.
(b) For each year of BACKDROP, the Participant's BACKDROP accumulations shall be credited with interest at the Plan's earned actuarial rate of return for that year, but, in no event, shall such rate of return be less than a negative four percent (- 4%) rate of return per annum or more than a positive four percent (+ 4%) rate of return per annum, as determined by the Committee.
- (6) Provided the Participant has satisfied all requirements set forth in this Section, the Plan shall disburse the accumulated amount of the

Participant's BACKDROP benefits to the Participant in a single sum amount, either through a cash payment or direct rollover, less any taxes required to be remitted to the Internal Revenue Service, within ninety (90) days from the date of retirement or as soon as practical thereafter.

IN WITNESS WHEREOF, SJRPP has caused this Amendment to be duly executed by its duly authorized officer this 20th day of May 2008, effective as of 20-May-2008.

ST. JOHNS RIVER POWER PARK SYSTEM

By: [Signature]

ATTEST:

[Signature: Nancy S. NesSmith]

Form Approved

[Signature]
Office of General Counsel

**RESOLUTION AMENDING THE
ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002
AND READOPTED ON AUGUST 21, 2003**

WHEREAS, St. Johns River Power Park System ("SJRPP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated effective October 1, 2002, and readopted on August 21, 2003, and is currently in effect; and

WHEREAS, SJRPP wishes to enhance the benefits provided by the Plan by creating a partial lump-sum payment option and by creating a retroactive, deferred retirement election option; and

WHEREAS, the attached AMENDMENT NO. 3 TO THE ST. JOHNS RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN codifies the amendment approved in this resolution; and

WHEREAS, JEA has approved and authorized the amendment embodied herein;

NOW, THEREFORE, after full consideration and acting under the powers reserved in the Plan, SJRPP hereby adopts the attached Amendment No. 3 to the St. Johns River Power Park System Employees' Retirement Plan.

IN WITNESS WHEREOF, SJRPP has caused this Resolution to be duly executed by its duly authorized officer this _____ day of _____, _____ effective as of _____.

ST. JOHNS RIVER POWER PARK SYSTEM

By: _____

ATTEST:

Form Approved

Office of General Counsel

Referencing
Resolution 2009- 5

**AMENDMENT NO. 4
TO
ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002
AND READOPTED ON AUGUST 21, 2003**

WHEREAS, St. Johns River Power Park System ("SJRPP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated effective October 1, 2002, and readopted on August 21, 2003, and is currently in effect; and

WHEREAS, SJRPP wishes to provide any Participant who no longer works for SJRPP the option to repudiate his or her benefit rights in exchange for a refund of Participant Contributions, payable without interest; and

WHEREAS, SJRPP wishes to adopt a cost-neutral actuarial basis for providing a partial lump-sum option; and

WHEREAS, Section 9.03 of the Plan grants SJRPP the authority to amend the Plan by action of JEA; and

WHEREAS, JEA has approved and authorized the amendment embodied herein;

NOW, THEREFORE, in consideration of the premises and acting under the powers reserved in the Plan, SJRPP hereby amends the Plan effective February 1, 2009, as follows:

1. Section 3.05, Termination of Employment, shall be amended by adding subsection (5) as follows:
 - (5) Forfeiture and Refund Option:
A terminated Participant who has a Vested Termination Date (Section 3.05(1)), has vested Accrued Benefits remaining in the Plan, and who has not attained eligibility for benefits under Section 3.01 or 3.03 may request a forfeiture of their vested benefits rights in exchange for the receipt of a refund of all of their employee contributions made to the Plan during their term of employment without interest. Making the forfeiture & refund election will result in no further benefit entitlements under the Plan. Refunds are subject to the provisions of Section 5.05 "Direct Rollovers".

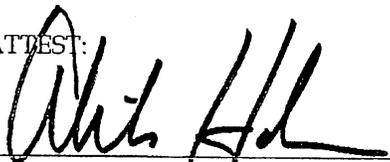
2. Subsection (1) of Section 1.02, Actuarial Equivalent, shall be deleted and replaced in its entirety as follows:
 - (1) For benefits payable in the form of a single-sum payment or a partial single-sum payment, interest discount and mortality rates shall be based on those used by the Plan to fund the Plan for the year the single-sum payment is made, currently the RP-2000 mortality table and 7.75% interest discount rate. The Committee may change this basis for any future Plan year by adopting a resolution that sets the revised interest discount and mortality basis to be used for funding for that year.

IN WITNESS WHEREOF, SJRPP has caused this Amendment to be duly executed by its duly authorized officer this 17th day of February, 2009, effective as of February 1, 2009.

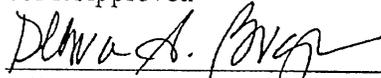
ST. JOHNS RIVER POWER PARK SYSTEM

By: Cynthia A. Whalley for
Cynthia Austin, JEA Board Chairman

ATTEST:


Ashton Hudson, JEA Board Secretary

Form Approved


Office of General Counsel

Resolution 2009-5

**RESOLUTION AMENDING THE
ST. JOHNS RIVER POWER PARK SYSTEM
EMPLOYEES' RETIREMENT PLAN
AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002
AND READOPTED ON AUGUST 21, 2003**

WHEREAS, St. Johns River Power Park System ("SJRPP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated effective October 1, 2002, and readopted on August 21, 2003, and is currently in effect; and

WHEREAS, SJRPP wishes to provide any Participant who no longer works for SJRPP the option to repudiate his or her benefit rights in exchange for a refund of Participant Contributions; and

WHEREAS, SJRPP wishes to adopt a cost-neutral actuarial basis for providing the partial lump-sum option; and

WHEREAS, the attached AMENDMENT NO. 4 TO THE ST. JOHNS RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN codifies the amendment approved in this resolution; and

WHEREAS, JEA has approved and authorized the amendment embodied herein;

NOW, THEREFORE, after full consideration and acting under the powers reserved in the Plan, SJRPP hereby adopts the attached Amendment No. 4 to the St. Johns River Power Park System Employees' Retirement Plan.

IN WITNESS WHEREOF, SJRPP has caused this Resolution to be duly executed by its duly authorized officer this 17th day of February, 2009, and effective as of February 1, 2009.

ST. JOHNS RIVER POWER PARK SYSTEM

By: *Catherine Whately*

ATTEST:

[Signature]

Form Approved

[Signature]

Office of General Counsel

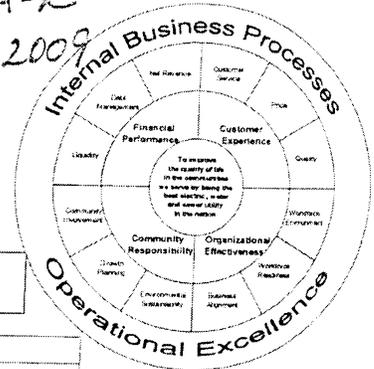
APPROVED BY THE JEA
 AT ITS MEETING ON 2-17-09
 AGENDA ITEMS # III-A-2



Building Community

AGENDA ITEM SUMMARY

III-A-2
 2-17-2009



February 9, 2009

SUBJECT: ST. JOHNS RIVER POWER PARK (SJRPP) PENSION PLAN AMENDMENT AND RESOLUTION

Purpose	Circle of Excellence Impact
<input type="checkbox"/> Information Only	<input type="checkbox"/> Financial Performance
<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Customer Experience
<input type="checkbox"/> Advice/Direction	<input checked="" type="checkbox"/> Organizational Effectiveness
	<input type="checkbox"/> Community Responsibility

Issue: The SJRPP Pension Committee recommends minor modifications to language in the SJRPP Plan to allow terminated Plan participants to repudiate benefit rights for refund of contributions without limits, and to clarify the definition of the discount rate used for calculating the lump sum option so that there is no cost to the Plan.

Significance: The elimination of the dollar limit which restricts refund of contribution to terminated employees will eliminate the payment of future annuity payments and will keep employer contributions in the Plan; the clarification of the discount rate supports the no cost intent of the lump sum option.

Who/what is affected: SJRPP employees and terminated SJRPP Plan participants.

Background: Due to the current economic market the lack of a clarified discount rate could result in a cost to the Plan; clarification will continue the no cost intent of the original option. The removal of the vesting limit will allow any vested terminated Plan participant to divest rights in the Plan and receive a refund of their contributions.

Background Examples: The current Plan language allows for the calculation of the lump sum amount at a rate different than that used for the Plan benefit which can result in an unintended cost to the Plan. Allowing terminated Plan participants to repudiate benefit rights reduces Plan liability at no cost to the Plan.

Cost to company/community: No cost to the JEA/SJRPP organization.

Recommended course of action: Approval of the Plan Amendment and the associated Resolution.

Why? The approval will limit the lump sum calculation to the same rate used to calculate Plan benefits while the expansion of the right to repudiate benefit rights reduces future Plan liabilities.

Recommended Board action: Approval of the Plan Amendment and Resolution reflecting clarification and revision of wording to maintain original intent of existing amendments.

Submitted by: gm



Building Community

III - A - 2
2-17-2009

APPROVED BY THE JEA
AT ITS MEETING ON 2-17-09
AGENDA ITEMS # III - A - 2

INTER-OFFICE MEMORANDUM
February 9, 2009

SUBJECT: ST. JOHNS RIVER POWER PARK (SJRPP) PENSION PLAN
AMENDMENT AND RESOLUTION

FROM: Jim Dickenson, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Currently the Plan uses a government rate to calculate lump sum payments. By clarifying the use of our Plan rate we maintain the no cost intent of the original amendment. Plan participants who are terminated with vested rights must currently wait until retirement age to receive benefits. By allowing them to repudiate their rights they receive their contributions leaving the employer contributions and earnings in the Plan.

DISCUSSION:

Amendment 3 to the SJRPP Pension Plan did not account for the requirement to use an Employment Retirement Income Security Act (ERISA) rate for the calculation of the lump sum payment available to employees at retirement. This rate does not match the rate used by the Plan in calculating the annuity payments and can result in additional cost to the Plan. Defining the rate to be used makes the calculation of the lump sum cost neutral as intended in the original amendment. Amendment of Section 3.05 will allow terminated employees vested in the Plan to repudiate their rights in the Plan and receive a refund of their contribution. The Plan will keep all employer contributions and earnings for the time of employment.

RECOMMENDATION:

That the Board approve SJRPP Pension Plan Amendment 4 and its associated Resolution.

J. A. Dickenson, Managing Director/CEO

JAD/grm/grm

#5

St. Johns River Power Park Retirement Plan
Amendment Number 5
Effective February 25, 2013

The St. Johns River Power Park Retirement Plan is hereby amended for the purpose of implementing Article 25 of the Collective Bargaining Agreement. Except as otherwise expressly provided in this article, all provisions of the St. Johns River Power Park Retirement Plan are carried forward as currently written. The provisions of the Plan shall apply to both Tier One and Tier Two of the Plan, except as otherwise provided below:

Section 1.01 Accrued Benefit is amended by adding the follow to read as follows:

1.01 Accrued Benefit

For all Tier One Participants who as of February 24, 2013 have not reached age 60 with 5 years of service, or have not reached age 55 with 20 years of service or who have not completed 30 years of service regardless of age, the accrued benefit in Tier One shall be frozen in the amount accrued as of February 25, 2013. Tier One participants who as of February 24, 2013 have completed 20 years of service but have not reached age 55, the back DROP feature shall not be available, but those participants may otherwise continue to participate in Tier One. For all Tier One participants who as of February 24, 2013 have reached age 60 with 5 years of service, or age 55 with 20 years of service, or who have completed 30 years of service regardless of age, their Tier One benefits shall be unchanged.

Section 1.09.1 Compliance Amendment is hereby created to read as follows

1.09.1 Compliance Amendment

A compliance amendment is an amendment to the Plan which is administrative in nature or which is necessary to maintain the tax qualified status of the Plan under the applicable provisions of the Internal Revenue Code. No such amendment shall have the effect of diminishing or impairing the benefits of Plan participants. The term "Compliance amendment" shall also apply to any administrative rule, procedure, or practice adopted by the Pension Committee to implement the provisions of the Plan.

Section 1.33 Plan is amended by adding the following to read as follows:

1.33 Plan: Tier One and Tier Two Defined; Tier One, Frozen Tier One, and Tier Two Participant Defined

The Plan shall consist of two tiers. Tier One shall be the Defined Benefit Tier and Tier Two shall be the Cash Balance Tier. Except as otherwise denoted, the term "Plan" will apply to both Tier One and Tier Two.

A Tier One Participant shall mean a person who is eligible to accrue Tier One benefits throughout his or her employment. A Tier One Participant shall include a person who as of February 24, 2013 has reached age 60 with 5 years of service, or age 55 with 20 years of service or who have completed 30 years of service regardless of age. With the exception of the unavailability of the back DROP benefit, a Tier One Participant shall also include a member who, as of February 24, 2013, had completed 20 years of credited service but had not yet attained age 55.

A Frozen Tier One Participant shall mean a person whose Tier One benefit was frozen as of February 25, 2013, whether or not the person has service under Tier Two.

A Tier Two Participant shall mean a person who is not eligible to accrue benefits in Tier One on or after February 25, 2013. A Tier Two participant may be a person with frozen Tier One benefits or a persons hired for the first time on or after February 25, 2013.

Section 2.01 Eligibility is amended by adding the following to read as follows:

2.01 Eligibility

Eligibility to continue to participate in Tier One of the Plan on or after February 25, 2013 shall be limited to persons who as of February 24, 2013 have reached age 60 with 5 years of service, or age 55 with 20 years of service or who have completed 30 years of service regardless of age. Tier One participants who as of February 24, 2013 had completed 20 years of service, but had not reached 55, shall continue to participate in the Plan except the back DROP feature shall no longer be available. All other Tier One participants of the Plan on February 24, 2013, shall have their benefits frozen as of February 25, 2013, as defined in Section 11. The Frozen Tier One Participants shall thereafter be members of Tier Two, along with all persons hired on or after February 25, 2013. The back DROP is not available to Tier Two members.

Section 3.07 Cost of Living Increase is hereby deleted and replaced with the following:

3.07 Cost of Living Adjustment

A Tier One Participant who retires on or after October 1, 2003 under the provisions of Section 3.01, 3.02, or 3.03 shall be entitled a 1% cost of living increase each year payable on the first benefit payment coincident with or next following the fifth anniversary of the participant's retirement and separation from service. A Frozen Tier One Participant shall receive the benefit provided in this section only on the Frozen Tier One benefit. The benefit provided in this section shall not apply to Tier Two benefits.

Section 3.08 Sale or Closure of SJRPP is hereby created to read as follows

3.08 Closure or Sale of SJRPP

Notwithstanding any other provision of this Plan, if the SJRPP is sold, shut down, or closed, the normal retirement age shall be 55 years of age, or the other eligibility provisions of the Plan, whichever shall occur first. In such an event, a Participant will be eligible for commencement of benefits upon the earliest eligibility based on the benefits accrued to the date of separation and based on the Plan provisions in effect on the date of separation. This provision shall not result in the loss or diminution of accrued benefits.

Section 6.03 Funding Policy is hereby amended by deleting the current provision and creating a new Section 6.03 to read as follows:

6.03 Funding Policy

The Sponsor shall establish and maintain a funding policy and method, including investments, which shall result in the Plan being managed on a sound actuarial basis, consistent with the requirements of Article X, Section 14 of the Florida Constitution and Chapter 112, Part VII, Florida Statutes.

Section 10.16, Compliance Amendments is hereby created to read as follows:

10.16 Compliance Amendments

The Employer shall adopt appropriate amendments to the plan document necessary to facilitate any collective bargaining agreement and to maintain compliance with the Internal Revenue Code provisions applicable to tax qualified governmental retirement plans, upon the recommendation of the Committee. No such compliance amendment shall vary the terms of either Tier One or Tier Two outlined in this Plan amendment or any applicable Collective Bargaining Agreement, nor shall any such compliance amendment be interpreted or applied in a manner which reduces accrued benefits. Any proposed plan amendment shall be submitted to the Union and the Employer in advance of its submission to the Board.

Section 11.01, Tier One Plan Closing is hereby created to read as follows:

11.01 Tier One Closing

Effective February 25, 2013 Tier One is closed to all new employees hired on or after February 25, 2013. Effective February 25, 2013, the Tier One plan provisions are continued only for employees who as of February 24, 2013 have reached age 60 with 5 years of service, or age 55 with 20 years of service or who have completed 30 years of service regardless of age, except that employees who have completed 20 years of service as of February 29, 2011, but are less than 55 years of age, shall continue to participate in Tier One with the exception of the back DROP option. For all Participants who do not meet the criteria for participation in this section, individual Tier Two Cash Balance Accounts shall be established as of February 25, 2013. Distribution of frozen

Tier One Benefits shall be governed by the provisions applicable to Tier One.

Section 11.02 Benefit Freeze for Certain Tier One Participants is hereby created to read as follows:

11.02 Benefit Freeze for Certain Tier One Participants

Accrued benefits for all Tier One participants who as of February 24, 2013 have not reached age 60 with 5 years of service, or have not attained age 55 with 20 years of service; or, who have not completed 30 years of service regardless of age, shall be frozen in the amount accrued as of February 25, 2013. Tier One participants who have completed

20 years of service as of February 29, 2011, but are less than 55 years of age, shall continue to participate in Tier One, but the back DROP option shall not be available. The back DROP is not available for Tier Two benefits.

Section 11.03 Creation of Tier Two Cash Balance Accounts is hereby created to read as follows:

11.03 Creation of Tier Two Cash Balance Accounts

Frozen Tier One and Tier Two Participants shall have individual cash balance accounts created effective February 25, 2013. Tier One Participants with 20 or more years of credited service as of February 24, 2013 will not accrue or be eligible for Tier Two benefits. Tier One Participants with more than 20 years of service but have not attained age 55 as February 24, 2013, shall not be eligible for back DROP. Frozen Tier One Participants and Tier Two Participants shall not be eligible for back DROP.

Section 11.04 Tier Two Cash Balance Account Accruals is hereby created to read as follows:

11.04 Tier Two Cash Balance Account Accruals:

A. Contributions to the Cash Balance Accounts

The Employee shall contribute 4% of Earnings to the Cash Balance Account bi-weekly. Employee contributions shall be deemed an employer "pick up contribution" in accordance with Section 414(h)(2), Internal Revenue Code. The Employer pay credits shall equal 2% of Earnings.

B. Interest on Cash Balance Accounts

Cash Balance Accounts shall be credited with interest at the rate of 4% per year.

C. Normal Retirement in Tier Two

Tier Two participants may retire on the earlier of attainment of age 65 with 5 years of service or the attainment of age 55 with 20 years of service, or the completion of 30 years of service, regardless of age. Benefits may be distributed as a lump sum, by rollover in accordance with the Internal Revenue Code or as an annuity, at the election of the Participant. The procedures applicable to distributions from Tier One shall apply, except as otherwise expressly provided in Section 11.

D. Early Retirement in Tier Two

Tier Two participants shall be eligible retire and receive distribution of the Cash Balance Account on the later of age 55 and the completion of 10 years of service, provided the participant has separated from service. There shall be no early retirement actuarial reduction in the Tier Two.

E. Tier Two Asset Management

Tier Two employee contributions, employer credits, credited interest, and assets derived from those contributions and credits shall be commingled for investment and custodial purposes with Tier One contributions and assets. The Plan shall maintain accurate records for each Tier Two account. All assets shall be held in trust for the exclusive benefit of Plan participants and shall be invested by the Committee acting in its capacity as Plan fiduciary.

Adopted and approved by the Board of Directors of JEA this ____ day of _____, 2013 and made effective on the earliest date permitted by law.

#5



Building Community

III B-1
2-19-2013

APPROVED BY THE JEA BOARD
AT ITS MEETING ON 2-19-13
AGENDA ITEM # III B-1

INTER-OFFICE MEMORANDUM
February 8, 2013

SUBJECT: SJRPP RETIREMENT PLAN AMENDMENT – RESOLUTION 2013-1

FROM: Paul E. McElroy, Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

At the IBEW 1618 Bargaining Unit ("IBEW") impasse hearing on February 21, 2012, the JEA Board approved the St. Johns River Power Park System ("SJRPP") employer recommendations, including Article 25 of the IBEW Collective Bargaining Agreement ("CBA") describing certain amendments to the SJRPP Employees' Retirement Plan (the "Plan"). SJRPP subsequently directed its pension counsel, Robert Klausner, to prepare an amendment to the Plan to incorporate the contractual terms of the foregoing Article 25 of the CBA, and a copy of such amendment (the "Plan Amendment") is attached to the Board Resolution attached to this Memorandum.

IBEW filed an unfair labor practice charge against SJRPP, and the Public Employees Relations Commission ("PERC") recently ruled in favor of SJRPP, including by requiring the IBEW to hold a ratification vote on the CBA ("Ratification Vote").

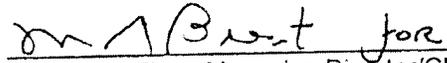
DISCUSSION:

In order for SJRPP to implement the benefit changes in the Plan Amendment, the Board is required to approve the Plan Amendment, subject to the Ratification Vote. Pursuant to the attached Board Resolution, the implementation date of the Plan Amendment will be the later of February 25, 2013, or the beginning of the first SJRPP payroll period after the Ratification Vote.

Attached to this Memorandum is a copy of the Actuarial Impact Statement showing the actuarial impact of the pension benefit changes in the Plan Amendment, and a copy of the Impact Statement has been provided to the State Division of Retirement as required by Florida law.

RECOMMENDATION:

It is recommended that the Board approve the attached Board Resolution 2013-1, which approves the Plan Amendment effective as of the later of February 25, 2013, or the beginning of the first SJRPP payroll period after the Ratification Vote.


Paul E. McElroy, Managing Director/CEO

PEM/JG

JEA Board Resolution No. 2013-1

A RESOLUTION APPROVING AN AMENDMENT TO THE ST. JOHNS RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN; AND AUTHORIZING THE JEA MANAGING DIRECTOR/CEO OR HIS DESIGNEE TO EXECUTE ALL DOCUMENTS RELATED THERETO, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, at the IBEW 1618 Bargaining Unit ("IBEW") impasse hearing on February 21, 2012, the JEA Board approved the St. Johns River Power Park System ("SJRPP") employer recommendations, including Article 25 of the IBEW Collective Bargaining Agreement ("CBA") describing certain amendments to the SJRPP Employees' Retirement Plan (the "Plan"), and

WHEREAS, SJRPP subsequently directed its pension counsel to prepare an amendment to the Plan to incorporate the contractual terms of the foregoing Article 25 of the CBA, and a copy of such amendment is attached hereto as **Exhibit A** (the "Plan Amendment"); and

WHEREAS, IBEW filed an unfair labor practice charge against SJRPP, and the Public Employees Relations Commission ("PERC") recently ruled in favor of SJRPP, including by requiring the IBEW to hold a ratification vote on the CBA ("Ratification Vote"); and

WHEREAS, the JEA Board desires to approve the Plan Amendment; now therefore

BE IT RESOLVED by the JEA Board of Directors that:

The Plan Amendment is hereby approved and shall become effective as of the later of February 25, 2013, or the beginning of the first SJRPP payroll period after the Ratification Vote, and the Managing Director/CEO or his designee is authorized to execute any and all documents, and take such actions, as he deems reasonable or necessary in connection with the implementation of the Plan Amendment.

Dated this 19th day of February, 2013.

JEA

By:

Ashton Hudson, Chairman

Form Approved:

John Germany
Deputy General Counsel

St. Johns River Power Park System
Employees' Retirement Plan Pension Committee
21 W. Church Street, T-16
Jacksonville, FL 32202

January 31, 2013

Bureau of Local Retirement Systems
Keith Brinkman, Bureau Chief
PO Box 9000
Tallahassee, FL 32315-9000

Re: Actuarial Impact Statement dated January 14, 2013 ("Impact Statement")
prepared by Gabriel Roeder Smith & Company for the Pension Committee
("Pension Committee") of the St. Johns River Power Park System
Employees' Retirement Plan ("Plan")

Dear Mr. Brinkman:

On behalf of the Pension Committee, as Plan Administrator, and pursuant to
Section 112.63(3), Florida Statutes, please find enclosed the Impact Statement pertaining
to proposed amendments to the Plan. A copy of the proposed Plan amendments is also
enclosed

Please contact the undersigned with any questions.

Sincerely,



Mike Brost, Chairman
St. Johns River Power Park System
Employees' Retirement Plan Pension
Committee



Gabriel Roeder Smith & Company
Consultants & Actuaries

One East Broward Blvd.
Suite 505
Ft. Lauderdale, FL 33301-1872

954.527.1616 phone
954.525.0083 fax
www.gabrielroeder.com

January 14, 2013

Pension Committee
JEA
St. John's River Power Park System
Employees' Retirement Plan

Dear Committee Members:

As requested, we have prepared an Actuarial Impact Statement for the proposed plan amendment which would create three tiers of benefits for currently Active members. A draft of the amendment is attached to this letter. There will be no changes to benefits of retirees and vested terminated employees, we summarize changes applicable to active employees in the following table:

Employee Group	Eligibility Requirement for Participation in Tier (as of February 24, 2013)	Benefit Changes Made
Tier 1a	Active employees Age 60 with 5 Years of Service (YOS), or Age 55 with 20 YOS, or 30 YOS regardless of age	None; Future Benefits Accrue as Stated under Current Defined Benefit (DB) Plan
Tier 1b	20 YOS but less than 30 YOS and have not yet attained Age 55	Removal of the back DROP; All other DB Plan Provisions the same as Tier 1a
Tier 2	All other members (including members who enter the Plan after February 24, 2013)	Benefits accrued through February 24, 2013 are frozen and are payable under the Provisions of the current DB Plan. These members accrue future benefits in a Cash Balance Plan.

We have enclosed exhibits showing the following funding results under both the current plan provisions and the proposed plan design described above:

- Development of the Annual Employer Contribution
- Calculation of the Normal Cost
- Actuarial Value of Benefits and Assets

The exhibits do not include any additional employer contributions to the Defined Contribution Plan for affected members. It is important to note that these figures assume there are no future gains or losses.

The Statement must be filed with the Division of Retirement before the final public hearing on the amendment. Please have a member of the Committee sign the Statement. Then send the Statement along with a copy of the proposed plan amendment to Tallahassee.

Pension Committee
St. John's River Power Park System
January 14, 2013
Page 2

Description of Cash Balance Plan

The cash balance plan members' accounts will be credited with an amount equal to six percent of pay. The credits shall include employee contributions at a rate of four percent. In addition, members' accounts will be credited with interest at an annual rate of four percent. Refer to the attached amendment which the Board will be considering for adoption. With the following exception, this is the basis on which this actuarial impact statement is made.

Members participating in the cash balance plan may also be offered additional retirement benefits in conjunction with implementation of the cash balance plan as contemplated by the Article 25 of the Collective Bargaining Agreement, including matching Employer contribution up to 2% of pay to their 457 Plan. However, none of these benefits had been taken into consideration for the purpose of this study.

Additional Disclosures

This report was prepared at the request of the JEA, and is intended for use by the JEA and those designated or approved by the JEA. This report may be provided to other parties only in its entirety and only with the permission of the JEA.

The purpose of this report is to describe the financial effect of the proposed plan changes. This report should not be relied on for any purpose other than the purpose described above.

The calculations in this report are based upon information furnished by JEA concerning Plan benefits, financial transactions, plan provisions and active members, terminated members, retirees and beneficiaries. We did not audit the data.

The calculations have been performed using data submitted for the October 1, 2012 Valuation and are based on the assumptions, methods, and plan provisions outlined in our October 1, 2012 Actuarial Valuation Report with exceptions as noted in this letter. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law. If you have reason to believe that the assumptions that were used are unreasonable, that the plan provisions are incorrectly described, that important plan provisions relevant to this proposal are not described, or that conditions have changed since the calculations were made, you should contact the author of the report prior to relying on information in the report.

In the event that more than one plan change is being considered, it is very important to remember that the results of separate actuarial valuations cannot generally be added together to produce a correct estimate of the combined effect of all the changes. The total can be considerably different from the sum of the parts due to the interaction of the various plan provisions with each other, and with the assumptions that must be used.

The undersigned actuaries are members of the American Academy of Actuaries and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The undersigned actuaries are independent of the plan sponsor.

This report has been prepared by actuaries who have substantial experience valuing public employee

Pension Committee
St. John's River Power Park System
January 14, 2013
Page 3

retirement systems. To the best of our knowledge the information contained in this report is accurate and fairly presents the actuarial position of the Plan as of the valuation date. All calculations have been made in conformity with generally accepted actuarial principles and practices, and with the Actuarial Standards of Practice issued by the Actuarial Standards Board and with applicable statutes.

We welcome your questions and comments.

Sincerely yours,



James J. Rizzo, ASA, MAAA, FCA
Senior Consultant & Actuary



Piotr Krekora, ASA, MAAA
Consultant & Actuary

JJR/te
Enclosures

ST. JOHN'S RIVER POWER PARK SYSTEM – EMPLOYEES' RETIREMENT PLAN

Impact Statement – January 14, 2013

Description of Amendments

Proposed plan amendment which creates three tiers of benefits for currently Active members as summarized in the following table (there will be no changes to benefits of retirees and vested terminated employees):

Employee Group	Eligibility Requirement for Participation in Tier (as of February 24, 2013)	Benefit Changes Made
Tier 1a	Current retirees, vested terminated participants; Active employees Age 60 with 5 Years of Service (YOS), or Age 55 with 20 YOS, or 30 YOS regardless of age	None; Future Benefits Accrue as Stated under Current Defined Benefit (DB) Plan
Tier 1b	20 YOS but less than 30 YOS and have not yet attained Age 55	Removal of the back DROP; All other DB Plan Provisions the same as Tier 1a
Tier 2	All other members (including members who enter the Plan after February 24, 2013)	Benefits accrued through February 24, 2013 are frozen and are payable under the Provisions of the current DB Plan. These members accrue future benefits in a Cash Balance Plan.

Refer to the attached amendment which the Board will be considering for adoption.

Funding Implications of Amendment

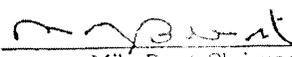
An actuarial cost estimate is attached.

Certification of Administrator

The proposed changes are in compliance with section 14, Article X of the State Constitution and Section 112.64, Florida Statutes.

Plan Administrator:

St. Johns River Power Park System Employees' Retirement Plan Pension Committee

By: 
Mike Brest, Chairman

115

APPROVED BY THE JEA BOARD
 AT ITS MEETING ON 2-19-13
 AGENDA ITEM # III-B-1

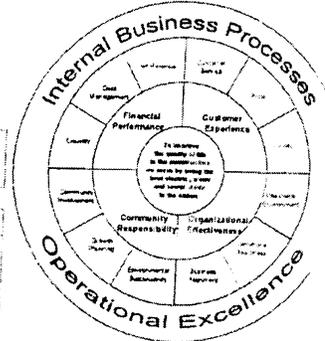


Building Community

AGENDA ITEM SUMMARY

February 8, 2013

III-B-1
 2-19-2013



SUBJECT: SJRPP RETIREMENT PLAN AMENDMENT - RESOLUTION 2013-1

Purpose	Circle of Excellence Impact
<input type="checkbox"/> Information Only	<input type="checkbox"/> Financial Performance
<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Customer Experience
<input type="checkbox"/> Advice/Direction	<input checked="" type="checkbox"/> Organizational Effectiveness
	<input type="checkbox"/> Community Responsibility

Issue: In order for SJRPP to implement the benefit changes in the Plan Amendment, the Board is required to approve the Plan Amendment, subject to the Union's Ratification Vote.

Significance: Resolution 2013-1 will approve the Plan Amendment upon the IBEW 1618's Ratification Vote.

Who/what is affected: SJRPP IBEW 1618 Bargaining Unit employees

Background: n/a

Background Examples: n/a

Cost to company/community: see attached Actuarial Impact Statement

Why? n/a

Recommended Board action: That the Board approve Resolution 2013-1 which approves the Plan Amendment effective as of the later of February 25, 2013 or the beginning of the first SJRPP pay period after the Ratification Vote.

Submitted by: PMc/cb

III. B.3.
5-19-2015

AMENDMENT NO. 6 TO ST. JOHNS RIVER POWER PARK SYSTEM EMPLOYEES' RETIREMENT PLAN AS AMENDED AND RESTATED EFFECTIVE OCTOBER 1, 2002 AND READOPTED ON AUGUST 21, 2003 APPROVED BY THE JEA BOARD ITS MEETING ON 5-19-15 AGENDA ITEM # III - B3

WHEREAS, St. Johns River Power Park System ("SJRPP"), as Sponsor, previously adopted the St. Johns River Power Park System Employees' Retirement Plan ("Plan"), which Plan has subsequently been amended and restated effective October 1, 2002, was readopted on August 21, 2003, was subsequently amended on five occasions thereafter, and is currently in effect; and

WHEREAS, SJRPP wishes to amend the Plan solely to implement Article 25 of the Collective Bargaining Agreement Between St. Johns River Power Park and International Brotherhood of Electrical Workers Local Union 1618 (October 1, 2015 – September 30, 2018) and to apply the amended Plan terms to all current and future employees who are eligible to participate in the Plan; and

WHEREAS, Sections 9.03 and 10.16 of the Plan grant the authority to amend the Plan to SJRPP, which authority is exercisable by action of JEA; and

WHEREAS, JEA has approved and authorized the Plan amendment embodied herein.

NOW, THEREFORE, in consideration of the premises and acting pursuant to the reserved powers in the Plan, SJRPP hereby amends the Plan effective October 1, 2015, as follows:

- 1. **Increased Employer Pay Credits:** The following sentence is hereby added to the end of Subsection A of Section 11.04, Tier Two Cash Balance Account Accruals, of the Plan:

Effective October 1, 2015, the Employer pay credits shall be increased from two percent (2.0%) of Earnings to four and one-half percent (4.5%) of Earnings.

- 2. **Purchase of Military Service Credit:** The following provisions are hereby added to the end of Section 1.37, Vesting Service, of the Plan:

Effective October 1, 2015, an Employee may elect to purchase additional Vesting Service, up to a maximum of two (2) years total, for time spent performing active military service, subject to all of the following terms and conditions:

- (1) The Employee must be vested and eligible for benefits under the Plan.
- (2) "Military service" for this purpose means service in the United States Army, Navy, Air Force, Marines, Coast Guard, National Guard, NOAA, or other branches of government service as provided in Title 38 of the United States Code. The military service may be active duty wartime or non-wartime military service, provided however, that no additional Vesting Service may be purchased for non-wartime military service in excess of one (1) year. Further, the Employee must have completed, by a date that is prior to the Employee's most recent date of hire with SJRPP or JEA, the military service for which additional Vesting Service is purchased.
- (3) The length of active military service shall be the total number of years, months, and days from and including the date of entry into active military service through the date of discharge from active military service. If the service includes a partial year, it shall be determined as a fraction of a year. The length of service shall be calculated as follows:

$$A + \{[B + (C/30)] / 12\}$$

Where:

A is the total complete years of service;

B is the total complete months of service in excess of complete years; and

C is the total days of service in excess of complete months.

- (4) The Employee cannot purchase additional Vesting Service for any military service for which the Employee also receives credit under any other federal, state, or local retirement or pension system where length of service is a factor in determining the amount of benefits received under such other system. For this purchase, the term "other federal, state, or local retirement or pension system" shall be defined and interpreted by reference to Section 112.65(2), Florida Statutes, or any successor to that statute. Thus, for example, federal social security benefits shall not be considered to be an "other federal, state, or local retirement or pension system."
- (5) If an Employee is a Frozen Tier One Participant or is a Tier Two Participant (as those terms are defined in Section 1.33), then the Employee may only purchase additional Vesting Service for Tier Two benefits.

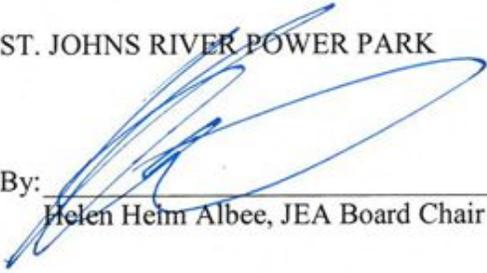
- (6) To purchase the additional Vesting Service, the Employee shall deposit to the Plan an amount equal to:
 - (a) *For Tier One benefits (if applicable to the Employee):* A lump sum amount equal to the actuarial present value of the additional projected benefits and rights derived from the crediting of additional Vesting Service for the military service. That actuarial present value calculation shall use a risk-free discount rate as represented by the closing yield of 30-year U.S. Treasury constant maturity instruments as of the last published date of the month prior to the month in which the amount is deposited into the fund. The closing yields shall be those published by the U.S. Department of the Treasury on its website. Furthermore, that actuarial present value calculation shall use the *RP-2014 Healthy Annuitant and Employee Mortality Tables (Total) for Males* with *MP-2014 Mortality Improvement Scale for Males*; or
 - (b) *For Tier Two benefits (if applicable to the Employee):* A lump sum amount equal to the total pay credits (Employer and Employee) for the number of years of Vesting Service being purchased for the military service. The pay credits shall be determined based on the pay credit rate in effect on the date on which the amount is deposited into the fund times the annual compensation paid for the plan year prior to the year in which the amount is deposited into the fund times the number of years of military service being purchased. In the event such prior plan year compensation does not represent a full year, the annual compensation paid may be considered the annualized rate of compensation in effect as of the last date of the month prior to the month in which the amount is deposited into the fund. No interest shall be charged on the total pay credits as calculated in this clause (b).
- (7) The Employee's payment for the purchase of the additional Vesting Service may be made through payroll deductions not exceeding five (5) years in length, or through lump-sum payments, or through a combination of both.
- (8) The Employee must make an application to the Committee for the purchase of the additional Vesting Service in such form and manner as the Committee prescribes, and must supply such supporting documentation and make such certifications as the Committee shall determine necessary, to permit the Committee to determine whether the Employee has satisfied the conditions for purchase of the additional Vesting Service, the length of Vesting

Service that may be purchased, and the cost to be paid by the Employee for same.

- (9) The Employee must make the application, and make full payment to the Plan, for the additional Vesting Service, prior to the commencement of the Employee's retirement benefits under the Plan.
3. Except as specifically amended herein, all other provisions of the Plan remain in full force and effect.

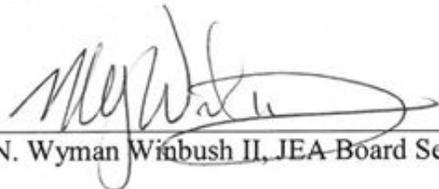
IN WITNESS WHEREOF, SJRPP has caused this Amendment to be duly executed by its duly authorized officer this 19th day of May, 2015, effective October 1, 2015.

ST. JOHNS RIVER POWER PARK

By: 

Helen Heim Albee, JEA Board Chair

ATTEST:


N. Wyman Winbush II, JEA Board Secretary

Form Approved:



Cindy Laquidara, SJRPP Pension Committee Counsel
Akerman, LPP

TRUST AGREEMENT

THIS AGREEMENT made this 12th day of May, 2005, by and among St. Johns River Power Park System, a Florida corporation (hereinafter referred to as "Company", which term shall include all successors and/or related entities thereto which have adopted the St. Johns River Power Park System Employees' Retirement Plan (the "Plan") and/or have agreed to be bound by this Trust Agreement) and Wachovia Bank, National Association as directed trustee ("Directed Trustee").

WITNESSETH:

WHEREAS, Company this day maintains the Plan for its employees; and

WHEREAS, notwithstanding that the Plan is a governmental plan not subject to ERISA, the Plan is designed to comply with applicable provisions of the Internal Revenue Code of 1986 as amended ("Code") and the Employee Retirement Income Security Act of 1974, as amended ("ERISA").

WHEREAS, Company has established a Trust and desires to appoint Wachovia Bank, National Association to serve as Directed Trustee to hold and administer property contributed by the Company (and the income thereon) pursuant to the terms of the Plan and this Trust Agreement.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained and intending to be legally bound hereby, it is agreed by and between the Company and the Directed Trustee as follows:

ARTICLE I

ESTABLISHMENT OF THE TRUST FUND

1.1 The Company hereby establishes with the Directed Trustee a trust consisting of such sums of money or property as shall from time to time be paid to the Directed Trustee under the Plan, and such earnings, profits, increments, additions and appreciation thereto and thereon as may accrue from time to time. All such sums of money, all investments made therewith or proceeds thereof, and all earnings, profits, increments, appreciation and additions thereto and thereon, less the payments which shall have been made by the Directed Trustee, as authorized herein, to carry out the Plan, are referred to herein as the "Trust Fund".

1.2 The Directed Trustee shall not be responsible for the collection of any funds required by the Plan to be paid by the Company to the Directed Trustee, nor shall the Directed Trustee be responsible for ensuring the timely payment of contributions. The Directed Trustee is not obligated to see that funds deposited with it are deposited according to the provisions of the Plan.

1.3 It shall be the duty of the Directed Trustee hereunder:

(a) To hold, invest, and reinvest the Trust Fund, as provided in Article II, and to manage, and administer the Trust Fund.

(b) From time to time, on the written direction of the Company, to make payments out of the Trust Fund to such persons, in such manner, in such amounts, and for such purposes as may be specified in such written direction. The Directed Trustee shall be under no liability for any payment made by it in compliance with such a direction.

1.4 The Directed Trustee may refuse to accept any property which it, in its sole discretion, deems unsuitable.

ARTICLE II

INVESTMENT OF THE TRUST FUND

2.1 The Directed Trustee shall invest and reinvest the principal and income of the Trust Fund pursuant to the written direction of the Company, the "Named Fiduciary" (as authorized under the Plan document), a duly authorized "Investment Advisor" (within the meaning of 29 C.F.R. 2910.3-21(c) and Florida Statutes Chapter 112, Part VII), or by any other party to whom authority to give such directions, requests or approvals is delegated by the Company by written notice to the Directed Trustee and keep the same invested without distinction between principal and income. The Directed Trustee shall not make any determination which shall cause it to be deemed a "Fiduciary" (as defined under Section 3(21) of ERISA) under the Plan with regard to such investment or reinvestment.

2.2 The Directed Trustee shall have the following powers in addition to the powers customarily vested in trustees by law and in no way in derogation thereof:

(a) Pursuant to the written direction of the Company, the Named Fiduciary, a duly authorized Investment Advisor, or by any other party to whom authority to give such directions, requests or approvals is delegated by the Company by written notice to the Directed Trustee, with any cash at any time held by them, to purchase or subscribe for any Authorized Investment, and to retain such Authorized Investment in trust.

(b) Pursuant to the written direction of the Company, the Named Fiduciary, a duly authorized Investment Advisor, or by any other party to whom authority to give such directions, requests or approvals is delegated by the Company by written notice to the Directed Trustee, to sell for cash or on credit, convert, redeem, exchange for another Authorized Investment, or otherwise dispose of, any Authorized Investment at any time held by it.

(c) To retain uninvested all or any part of the Trust Fund and to deposit the same in an interest-bearing account in any banking or savings institution including Directed Trustee's savings department, in accordance with and as directed in writing by the Company or its authorized representative.

(d) To exercise any option appurtenant to any Authorized Investment in which the Trust Fund is invested for conversion thereof into another Authorized Investment, or to exercise any rights to subscribe for additional Authorized Investments and to make all necessary payments therefor, in accordance with and as directed in writing by the Company or its authorized representative.

(e) Pursuant to the written direction of the Company or its authorized

representative, to join in, consent to, dissent from, or oppose, the reorganization, recapitalization, consolidation, sale, merger, foreclosure, or readjustment of the finances of any corporations or properties in which the Trust Fund may be invested, or the sale, mortgage, pledge or lease of any such property or the property of any such corporation upon such terms and conditions as it may deem wise; to do any act (including the exercise of options, making of agreements or subscriptions, and payment of expenses, assessments, or subscriptions) which may be deemed necessary or advisable in connection therewith; and to accept any authorized investment which may be issued in or as a result of any such proceeding, and thereafter to hold the same.

(f) To vote, in person or by general or limited proxy, at any election of any corporation in which the Trust Fund is invested, and similarly to exercise, personally or by a general or limited power of attorney, any right appurtenant to any authorized investment held in the Trust Fund, in accordance with and as directed in writing by the Company or its authorized representative.

(g) Pursuant to the written direction of the Company or its authorized representative, to sell, either at public or private sale, option to sell, mortgage, lease for a term of years less than or continuing beyond the possible date of the termination of the Trust Fund created hereunder, partition or exchange any real property which may from time to time or at any time constitute a portion of the Trust Fund, for such prices and upon such terms as it may deem best, and to make, execute and deliver to the purchasers thereof good and sufficient deeds of conveyance therefor and all assignments, transfers and other legal instruments, either necessary or convenient for passing the title and ownership thereof to the purchaser, free and discharged of all trusts and without liability on the part of such purchasers to see to the proper application of the purchase price.

(h) To purchase Authorized Investments at a premium or discount in accordance with and as directed in writing by the Company or its authorized representative.

(i) With the consent of the Company, to employ suitable agents, actuaries, accountants, investment advisors or managers and counsel and to pay their reasonable expenses and compensation. Such consent shall not be required if the Trustee reasonably determines that the transaction(s) giving rise to such engagement is adversarial in nature.

(j) To cause any investment in the Trust Fund to be registered in, or transferred into, its name as Directed Trustee or the name of its nominee or nominees or to retain them unregistered or in form permitting transfer by delivery, but the books and records of the Directed Trustee shall at all times show that all such investments are part of the Trust Fund, and the Directed Trustee shall be fully responsible for any misappropriation or defalcation in respect of any investment held by its nominee or held in unregistered form and shall cause the indicia of ownership to be maintained within the jurisdiction of the district courts of the United States.

(k) To do all acts which it may deem necessary or proper and to exercise any and all powers of the Directed Trustee under this Agreement upon such terms and conditions which it may deem are for the best interests of the Trust Fund.

2.3 "Authorized Investment" as used in this Article II shall mean the equities, bonds, money market instruments or other securities as described in the Plan's Investment Policy

attached hereto as Exhibit A (the "Investment Policy"), as the same may be amended from time to time. The Company will cause a copy of any amendment or a copy of the Plan's Investment Policy as amended, revised or changed to be delivered to the Directed Trustee.

ARTICLE III

ACCOUNTS TO BE KEPT AND RENDERED BY THE DIRECTED TRUSTEE

3.1 The Directed Trustee shall keep accurate and detailed accounts of all investments, receipts and disbursements and other transactions hereunder, including such specific records as shall be required by law and such additional records as may be agreed upon in writing between the Company and the Directed Trustee. In compiling such information with respect to any investment which does not have a readily ascertainable market value, including but not limited to Company stock, Directed Trustee shall be entitled to rely on the Company's determination of value and shall have no duty to verify the accuracy of the Company's determination. All accounts, books and records relating thereto shall be open to inspection and audit by any person or persons designated by the Company, at all reasonable times.

3.2 Within thirty (30) days following the close of each year of the Plan, or the removal or resignation of the Directed Trustee, or the receipt of the Company's contribution for such year, whichever is the latter, the Directed Trustee shall file with the Company a written account, setting forth all investments, receipts and disbursements, and other transactions effected by it during such year of the Plan or during the period from the close of the last preceding year of the Plan to the date of such removal or resignation, including a description of all securities and investments purchased and sold with the cost or net proceeds of such purchases or sales, and showing all cash, securities and other property held at the end of such year or as of the date of removal or resignation, as the case may be. Neither the Company nor the Plan Administrator (if any) nor any other person shall have the right to demand or to be entitled to any further or different accounting by the Directed Trustee, except as may be required by statute or by regulations published by federal government agencies with respect to reporting and disclosure.

3.3 Upon the expiration of ninety (90) days from the date of filing such annual or other account, the Directed Trustee shall be forever released and discharged from any liability or accountability to anyone with respect to the propriety of its acts or transactions shown in such account, except with respect to any acts or transactions as to which the Company shall within such ninety-day period file with the Directed Trustee a written statement claiming negligence or willful misconduct or lack of good faith on the part of the Directed Trustee. With respect to alleged breaches under ERISA (and amendments thereto), the Directed Trustee shall be entitled to rely upon the statutes of limitations set forth therein.

ARTICLE IV

THE DIRECTED TRUSTEE

4.1 The Directed Trustee accepts the Trust Fund hereby created and agrees to perform the duties hereby required by it, subject, however, to the following conditions:

(a) The Directed Trustee shall incur no liability to anyone for any action taken pursuant to a direction, request or approval given by the Company, the Plan Administrator or by any other party to whom authority to give such directions, requests

or approvals is delegated under the powers conferred under the Plan or this Trust Agreement.

(b) The Directed Trustee shall receive as compensation for its services such amounts as indicated in Section III, 5. V. of the Wachovia Bank, National Association proposal submitted November 18, 2003 in response to JEA's "Request for Proposals for General Banking Services", RFP No. JPS-021-04, a copy of which Section is attached hereto as **Exhibit B**, subject to change at any time and from time to time by written agreement between the Company and the Directed Trustee. Except as otherwise provided herein, the Directed Trustee's compensation and any other proper expense of the Directed Trustee for the Trust Fund (unless payable out of the Directed Trustee's compensation) including all real and personal property taxes, income taxes, transfer taxes, and other taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws of any jurisdiction upon or in respect of the Trust Fund hereby created, or any money, property or securities forming a part thereof shall be paid out of the Trust Fund. The Company shall have the option, but not the obligation, to pay any such expenses, in whole or in part, and by so doing, to relieve the Trust Fund from the obligation of bearing such expenses.

(c) The Directed Trustee shall not be answerable for any action taken in compliance with to any direction, consent, request, or other paper or document on the belief that the same is genuine and signed by the proper person if such direction, consent, request or other paper or document relates to a matter with respect to which the purported initiator or signatory has authority under the Plan.

(d) The Directed Trustee shall be indemnified and held harmless by the Company against any actions, claims, demands, losses, damage, or expense of any kind (including attorneys fees), or liabilities (referred to collectively as "Claims") which it or any of its agents, employees, nominees, or affiliated organization may at any time sustain or incur if such claims arise out of the events occurring by reason of Directed Trustee having acted in compliance with any direction, consent, request, or other paper or document it reasonably believed to be genuine. The Directed Trustee may begin, maintain or defend any litigation necessary in connection with the administration of the Plan, except that the Directed Trustee is not obligated or required to do so unless indemnified to its satisfaction.

4.2 Upon the appointment of a Plan Administrator and upon any change in the Plan Administrator, the Company shall advise the Directed Trustee in writing thereof, and the Directed Trustee shall be fully protected in assuming that there has been no change until so advised by the Company.

4.3 Directed Trustee acting hereunder may resign at any time by giving one hundred twenty (120) days written notice to the Company and may be removed at any time, with or without cause, by the Company. The Company may terminate the Directed Trustee at any time by giving sixty (60) days written notice to the Directed Trustee. Within forty-five (45) days of the date of the notice of termination or resignation, the Company shall notify the Directed Trustee in writing of the name of the successor trustee. The above notwithstanding, resignation or termination may be made effective at any time upon mutual consent of the parties. Upon the effective date of the resignation or removal of Directed Trustee, or upon the date on which there is no longer any property hold under the Trust, if earlier, the Directed Trustee shall be forever released and discharged from any liability or accountability to anyone with respect to its actions

as Directed Trustee.

4.4 Directed Trustee shall not act, nor be under any obligation to act, absent direction of the Company or a Named Fiduciary.

ARTICLE V

AMENDMENTS TO TRUST AGREEMENT

5.1 The provisions of this Trust Agreement may be amended in writing at any time and from time to time by the Company provided that:

(a) No such amendment shall be effective unless the Plan and the Trust Agreement, as so amended, shall be for the exclusive benefit of the employees of the Company or their respective beneficiaries.

(b) No such amendment shall operate to deprive a Participant of any rights or benefits irrevocably vested in him under the Plan or Trust Agreement prior to such amendment.

(c) No such amendment which may materially affect the compensation or obligations of the Directed Trustee hereunder shall be effective until the Directed Trustee has consented thereto.

(d) Each such amendment shall be effective when adopted by the Company, and filed with the Directed Trustee, except that where the consent of the Directed Trustee is required, any such amendment shall not become effective until the Directed Trustee has given its consent by approving the copy of the amendment filed with it.

ARTICLE VI

MISCELLANEOUS PROVISIONS

6.1 Any person dealing with the Directed Trustee may rely upon a copy of this Agreement and any amendments thereto, certified to be a true and correct copy by any officer of the Directed Trustee.

6.2 Other than as provided in Section 4.1 and 6.3 hereof, in no circumstances, whether upon amendment or termination of this Agreement, or otherwise, shall any part of the Trust Fund be used for or diverted to any purposes other than the exclusive benefit of employees of the Company who are Participants under the Plan, or their beneficiaries.

6.3 Neither this Trust Agreement nor the Plan shall prohibit any of the following transactions, each of which is specifically authorized hereby, to the extent permitted by Section 403(c) of ERISA:

(a) The return to Company of all or any part of one or more contributions made by Company by reason of a mistake of fact if such return is made within one (1) year after the payment of such contribution;

(b) The return to Company of all or any part of one or more contributions

made by Company if all of the following conditions apply: (i) the contribution was conditioned on the qualification of the Plan under Section 401 or 403(a) of the Internal Revenue Code of 1986 (or successor provisions of that or other statutes of similar intent), (ii) the Plan is found not to so qualify, and (iii) the contribution(s) is/are returned to Company within one (1) year of the date of denial of qualification of the Plan; and

(c) The return to Company of any contribution for which deduction is wholly or partially disallowed under Section 404 of the Internal Revenue Code of 1986 (or successor provisions of that or other statutes of similar intent), to the extent of such disallowances, if the (i) contribution, when made, was conditioned upon its deductibility and (ii) the return of the contribution occurs within one (1) year after the disallowance of the deduction.

This Section 6.3 shall not be construed to permit any payment which would deprive the Trust Fund of its exempt status.

6.4 In the event of any conflict between the provisions of the Plan and the Trust Agreement, the latter shall control.

6.5 The term "Plan" whenever used herein shall mean the Plan as amended from time to time, and the Company will cause a copy of any amendment or a copy of the Plan, as amended, revised or changed, in any way and from time to time to be delivered to the Directed Trustee.

6.6 Any term used herein which is defined in the Plan shall be considered to have the same meaning as in the Plan unless the contrary is clearly indicated.

6.7 This Trust Agreement may be executed in any number of counterparts, each of which shall be deemed original and said counterparts shall constitute one and the same instrument.

6.8 This Trust Agreement shall be construed, enforced and regulated under federal law, and to the extent (if any) not preempted thereby, under the laws of the State of Florida. Venue for any disputes under this Trust Agreement shall be in a court of competent jurisdiction located in the U.S. District Court for the Middle District of Florida.

IN WITNESS WHEREOF, the Company and the Directed Trustee have caused this Agreement to be executed and their respective corporate seals to be hereunto affixed and attested as of the day and year first above written.

Wachovia Bank, National Association

St. Johns River Power Park System

By: Susan B. Jonett

By: [Signature]

Title: VP

Title: VP, Organizational Services

Exhibit A

SJRPP Pension Investment Policy

EXHIBIT B

Response to Section III, Form of Proposal

- V. Based on the information provided in Section IV.2.O. SJRPP Pension Fund Custodial Services, provide a detailed schedule of proposed fees. Assume an average market value for the Plan assets of \$12,000,000 (includes average market value of equity assets held by separate trustee of \$4,000,000). Specify if Plan assets invested with the equity manager and held by separate trustee, but included in the consolidated statement to be produced by the Bank, are subject to the schedule of fees referenced above. If not, provide details. Include the total fee expressed in monthly terms. Additionally, provide a sample Trust Agreement as discussed in Section IV.2.O., item (9).

Wachovia serves as Custodian or Directed Trustee with no investment authority or responsibility.
Annual Asset Charges: Total market value for assets under Custody

<u>Market Value</u>	<u>Fee</u>
Trustee Service Charges	
First \$10,000,000	12.5 basis points
Next \$20,000,000	7.5 basis points
Next \$70,000,000	5.0 basis points
Next \$100,000,000	Fees are negotiable
Annual Minimum Asset Fees: \$20,000	

Miscellaneous

1. A charge of \$500 will be applied for each additional account ledger in excess of one.
2. A charge of \$15 will apply to each security transaction, excluding money market activity.
3. Daily investments in sweep vehicles are made in Evergreen Money Market Mutual Funds as directed in the custodial agreement. For applicable charges please read prospectus. For non-Evergreen Money Market Funds a charge of 30/100 of 1% will be applied to balances invested.



Response to Section III, Form of Proposal

4. An additional annual charge of \$2,400 per account will apply for performance measurement services. Assets greater than \$100 million performance measurement fee is negotiable.
5. Fees are calculated and charged monthly.
6. Fees quoted do not include out-of-pocket expenses incurred.
7. Custody on non-marketable securities will be reviewed and evaluated based upon work performed and priced on a cost plus basis.
8. Fees quoted are subject to Wachovia review and execution of a satisfactory agreement.
9. See ancillary fee schedule, if applicable.

Ancillary Fees

Plan Distribution/Tax Reporting

Monthly or Periodic Distributions

- Per Distribution Charge \$2.00 plus postage

Non Periodic Distributions

- Cash \$20.00 plus postage
- In Kind Stock \$30.00 plus postage

Outgoing Wire Transfers/Deposits (except direct deposits, GIC and Mutual Fund Investments)

\$25.00

Stop payment Charge \$20.00

Reporting

Standard reporting is provided at no extra charge

- Accrual Accountings Based on Valuation Frequency
- Quarterly Transactions and Assets Statements
- All reports provided to two interested parties

5500 Preparation Service

For preparation of Form 5500 Series, applicable schedules, audit research, etc.

- \$75 per hour, subject to the following minimum charges:
- Less than 100 participants \$350
- More than 100 participants \$700

Bank Documents

Master Plan and Trust Documents include the following:

- Master Plan Document and IRS Approval Letter
- Adoption Agreement for Master Plan and instructions for completion
- Sample language for the Board of Directors Resolution to adopt the plan
- Copies of Form 5307 and instructions for completion
- Sample cover letter for filing with the IRS
- Sample Notice to Interested Parties and instructions for completion
- Sample language for the Summary Plan Description (SPD) and instructions for completion
- Sample Cover Letter for filing with IRS and DOL
- Consultation with the Plan's attorney regarding completion of the Adoption Agreement and filing package for approval with IRS

Installation No Charge

Restatement \$600.00

Participant Loans, Insurance, Directed Account Services



Response to Section III, Form of Proposal

A loan package consisting of an application, promissory note, amortization schedule, and disclosure statement will be prepared at the time a loan is made. Payments will be payroll-deducted.

- \$75 Installation/Preparation Fee
- \$40 Annual Loan Maintenance Fee

Life Insurance Contracts

- Premium Payments \$25.00 each
- Tax Form PS-58 \$5.00 each
- Claims or Conversion \$25.00 each

Proxies

Proxies are individually quoted based on billable time and out-of-pocket expenses.

Participant Record keeping Services

See fee schedule listed above.

Plan Termination or Transfers to Successor Trustee

A reasonable charge based upon the nature of work performed, extent of involvement by the bank and any out-of-pocket expenses will be assessed prior to termination or transfer of the account.

Consulting Services

The consulting services are individually quoted based on billable time and out-of-pocket expenses. Wachovia Retirement Services has a wide range of consulting services available for retirement plan clients. These services include, but are not limited to, the following:

- Participant communication package for 401(k). The package includes a letter from the president announcing the plan, payroll stuffers, plan documents, enrollment kits, videos, personalized slide and employee meetings.
- Assist the plan's attorney with governmental filings including submission to the IRS for plan qualification, submission to the IRS and/or PBGC for plan termination, etc.
- Analysis of plan documents for simplification of administration and cost containment.
- Assist the sponsor's accountant in annual audit of plan.
- Assist the sponsor in establishing systems for data submission or participant record keeping
- Conduct participant meeting to present either investment or administrative information.

Services not detailed above will be quoted based on billable time at a rate of \$75/hour plus out-of-pocket expenses.

Please refer to the Wachovia Retirement Services presentation included with the Original Proposal. For a sample Trust Agreement, please refer to Section Vi.





JEA Monthly Financial Summary

as of November 30, 2015

Board of Directors December 15, 2015

III. B. 3.
12/15/2015



Key Financial Metrics

Electric System	Year-to-Date		FY2016 Full Year		Result
	FY2016	FY2015	Forecast	Target	
Debt Service Coverage	2.6x	2.6x	2.3x	≥ 2.2x	✓
Days Liquidity	306	239	331	150 to 250 days ¹	✓
<i>Days Cash on Hand</i>	<i>183</i>	<i>168</i>	<i>214</i>		✓
Debt to Asset %	69%	73%	66%	72% ²	✓

Water and Sewer System	Year-to-Date		FY2016 Full Year		Result
	FY2016	FY2015	Forecast	Target	
Debt Service Coverage	3.1 x	2.7x	2.6x	≥ 1.8x	✓
Days Liquidity	275	221	273	≥ 100 days	✓
<i>Days Cash on Hand</i>	<i>152</i>	<i>116</i>	<i>156</i>		✓
Debt to Asset %	54%	55%	53%	55% ³	✓

¹ Moody's Aa benchmark: 150 to 250 days

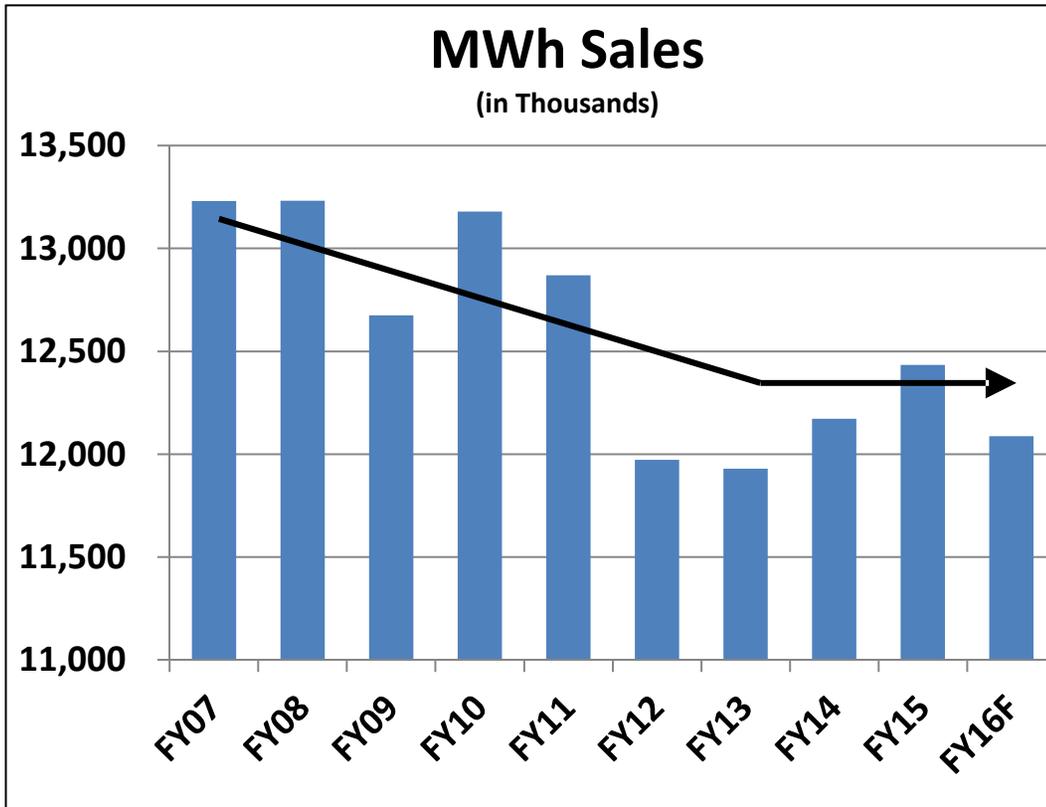
² Long-term target is 60%

³ Long-term target is 50%: calculated peer group from Moody's large Aa rated public water-sewer utilities



JEA Electric System

MWh Sales



Month	FY15	FY16	% Change
Oct	971,595	952,515	(2.0%)
Nov	895,617	923,705	3.1%
Year-to-Date	1,867,212	1,876,220	0.5%
Dec	943,753		
Jan	1,035,621		
Feb	934,102		
Mar	898,524		
Apr	954,803		
May	1,062,459		
Jun	1,187,741		
Jul	1,254,252		
Aug	1,212,295		
Sep	1,083,446		
Total/Forecast	12,434,208	12,087,679	

Unit Sales Driver: Degree days 14% lower than last year.

YTD Degree Days		
30-yr. Avg.	FY15	FY16
431	484	416

Total System	0.5%
Residential	0.1%
Comm./Industrial	(1.2%)
Interruptible	13.0%
Wholesale (FPU)	3.1%



JEA Electric System

Financial Results and Cost Metrics

(\$ in thousands)

Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16F vs FY15 (\$)	Variance (%)
Fuel Revenue	\$ 463,803 ¹	\$ 486,362 ²	\$ 485,631	\$ (22,559)	-4.6%
Base Revenue	716,928	741,411	711,502	(24,483)	-3.3%
Other Revenue	49,048	38,183	51,716	10,865	28.5%
Total Revenues	\$ 1,229,779	\$ 1,265,956	\$ 1,248,849	\$ (36,177)	-2.9%
<div style="border: 1px solid black; padding: 2px; display: inline-block;">\$ (19M)</div>					
Select Expenses					
Fuel Expense	\$ 398,179	\$ 441,076	\$ 460,315	\$ 42,897	9.7%
Fuel Fund Transfers	65,625	45,286	25,255	(20,339)	
O & M Expense	213,672	191,764	222,827	(21,908)	-11.4%
Non-fuel Purchased Power	108,329	114,804	113,015	6,475	5.6%
Net Revenues	\$ 432,067	\$ 461,604	\$ 405,311	\$ (29,537)	-6.4%
<div style="border: 1px solid black; padding: 2px; display: inline-block;">\$ 27M</div>					
Capital Expenditures	\$ 152,502	\$ 116,728	\$ 153,200 ³	\$ (35,774)	-30.6%
Debt Service	\$ 185,823	\$ 175,779	\$ 185,614	\$ (10,044)	-5.7%

Electric Costs / MWh	Non-Fuel
Target	\$ 49.44
Forecast	54.46
Difference	\$ (5.02)

Fuel Fund (\$ in millions)	
Beginning Balance	\$ 151
Surplus/(Deficit)	122
Fuel Credit	(57)
Ending Balance	\$ 216

¹ Net of \$57 million fuel credit in October bill

² Net of \$50 million fuel credit in FY15

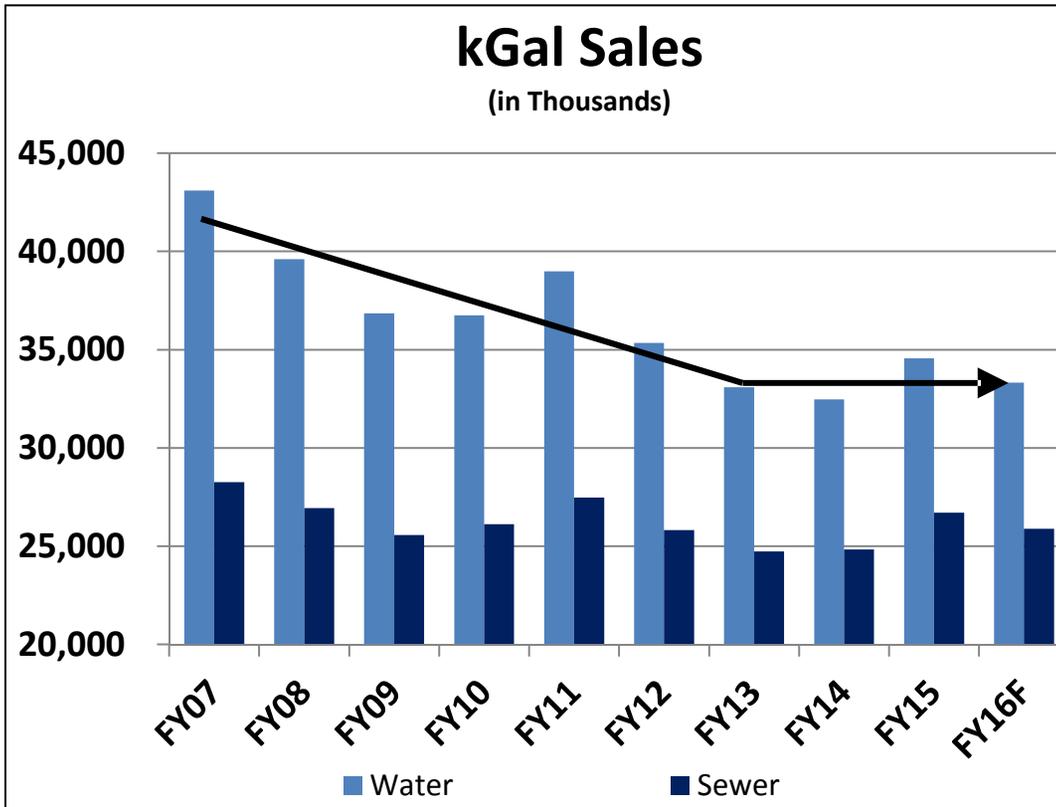
³ Council approved limit for capital expenditures in FY15 is \$170 million



JEA Water and Sewer System

kGal Sales

(in Thousands)



Month	FY15	FY16	% Change
Oct	3,051	3,121	2.3%
Nov	2,597	2,641	1.7%
Year-to-Date	5,648	5,762	2.0%
Dec	2,708		
Jan	2,502		
Feb	2,238		
Mar	2,732		
Apr	2,765		
May	3,509		
Jun	3,382		
Jul	3,300		
Aug	3,062		
Sep	2,712		
Total/Forecast	34,558	33,322	

Unit Sales Driver: Rainfall down 2 inches; rain days up 2.

YTD Rain			
	30-Yr. Avg.	FY15	FY16
Inches	6	6	4
Days	15	9	11

Total System	2.0%
Residential	1.8%
Comm./Industrial	4.7%
Irrigation	(3.6%)



JEA Water and Sewer System

Financial Results and Cost Metrics

(\$ in thousands)

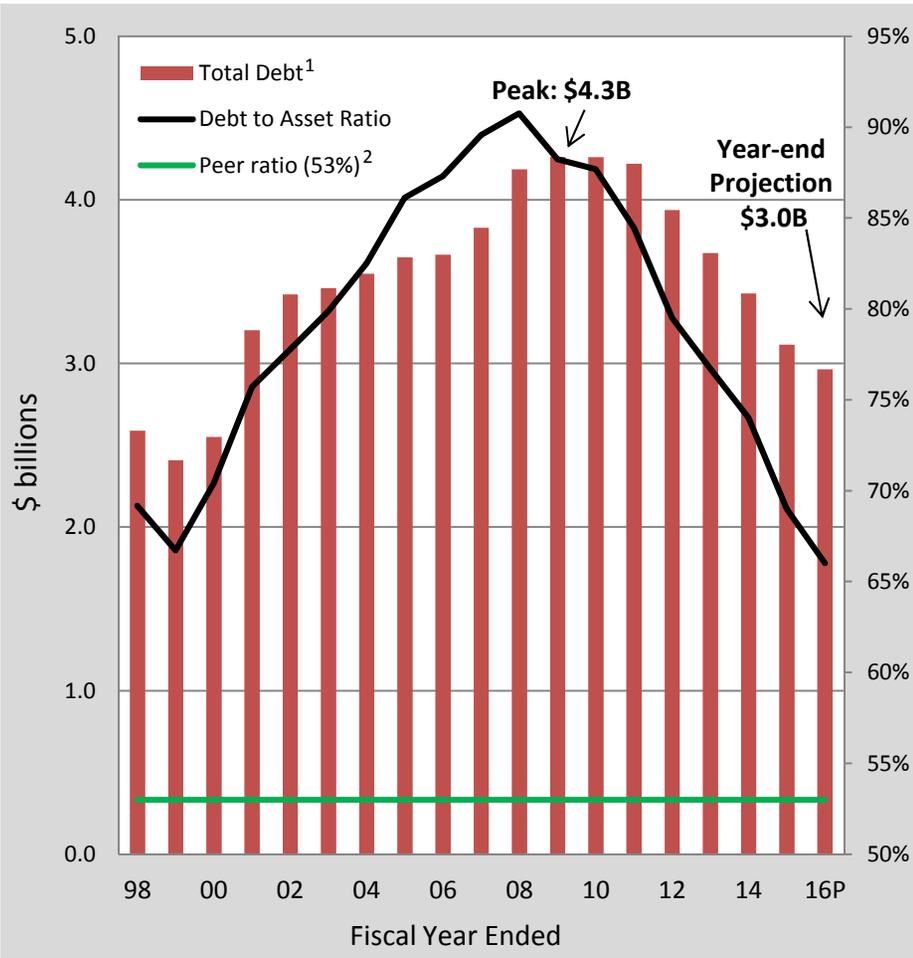
Revenues	FY16 Forecast	FY15 Actual	FY16 Budget	FY16F vs FY15 (\$)	Variance (%)
Water & Sewer Revenues	\$ 385,386	\$ 393,167	\$ 383,162	\$ (7,781)	-2.0%
Other Revenue	34,674	43,750	34,529	(9,076)	-20.7%
Total Revenues	\$ 420,060	\$ 436,917	\$ 417,691	\$ (16,857)	-3.9%
		\$2M			
Select Expenses					
O & M Expense	\$ 134,466	\$ 127,174	\$ 138,368	\$ (7,292)	-5.7%
Net Revenues	\$ 260,431	\$ 278,471	\$ 275,985	\$ (18,040)	-6.4%
		\$(16M)			
Capital Expenditures	\$ 172,377	\$ 100,806	\$ 175,000	\$ (71,571)	-71.0%
Debt Service	\$ 100,987	\$ 101,108	\$ 105,370	\$ (121)	-0.1%

Cost / KGal	Water	Sewer
Target	\$ 3.98	\$ 7.26
Forecast	<u>4.91</u>	<u>8.32</u>
Difference	\$ (0.93)	\$ (1.06)

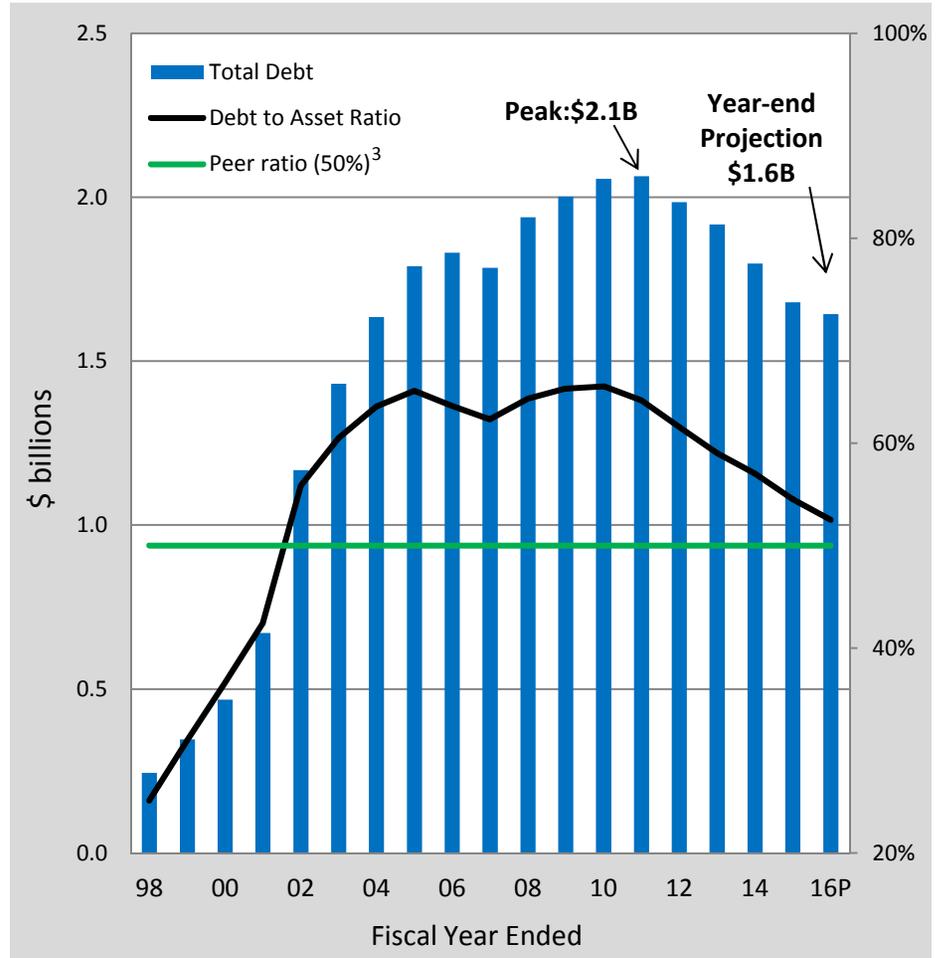


JEA Debt and Debt to Asset Ratios

Electric System



Water and Sewer System



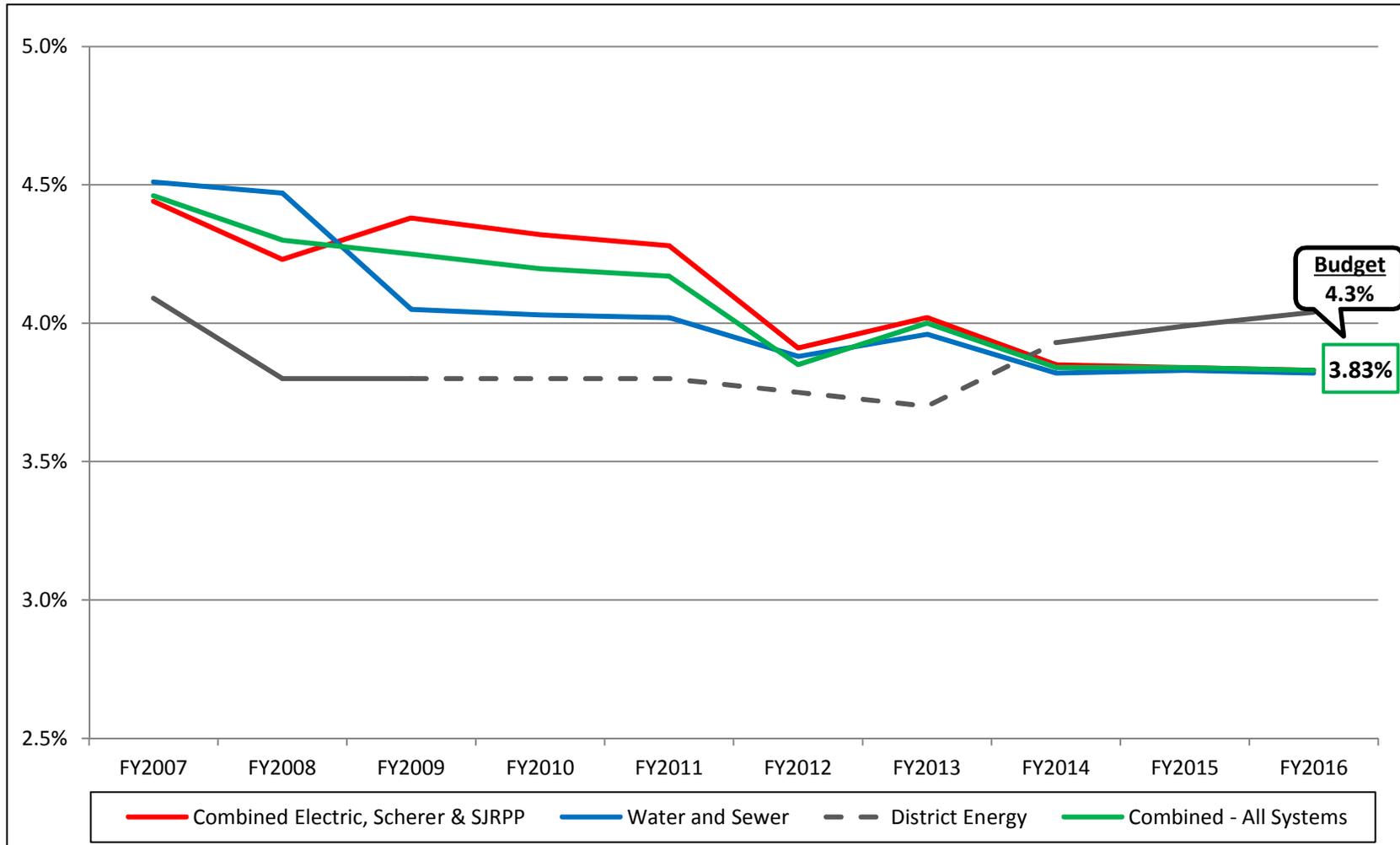
¹ Includes JEA, Scherer and SJRPP

² Per Moody's Special Comment, June 2014

³ As calculated from Moody's data for large Aa rated public water-sewer utilities



Combined Debt Outstanding Weighted Average Interest Rates*

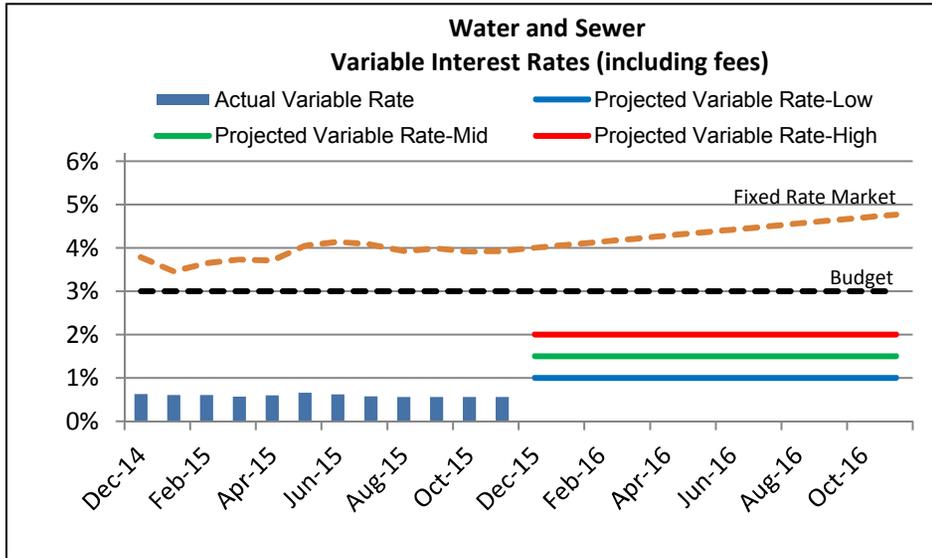
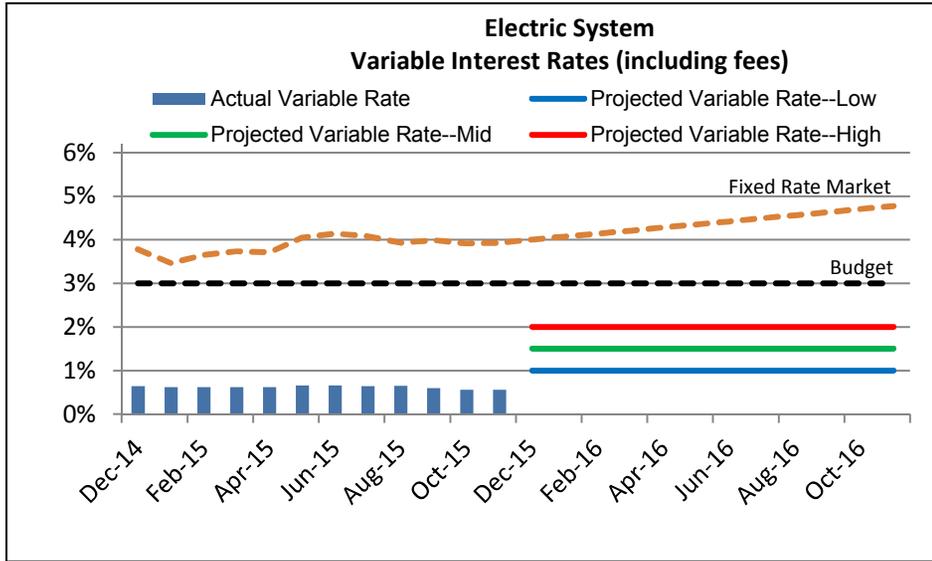


- Fiscal year end interest rates are net of BABs subsidy, original issue premiums / discounts and includes variable debt liquidity / remarketing fees and interest rate swap payments.
- - - - During FY2008 – FY2013 DES was funded with variable rate debt at an average of 1 percent.



Variable Rate Debt Risk Analysis

(\$ in millions)



Total variable rate debt of \$887 with \$532 swapped to fixed rate

Liquidity Facilities and Direct Purchase Bonds (DPBs)			
Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%
Wells Fargo Bank N.A. (100% DPBs)	Aa2/AA-/AA	\$225	26
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	199	23
Royal Bank of Canada	Aa3/AA-/AA	193	23
US Bank, N.A.	A1/AA-/AA	149	18
Sumitomo	A1/A/A	52	6
State Street Bank	A1/AA-/AA	31	4
Total		\$849	

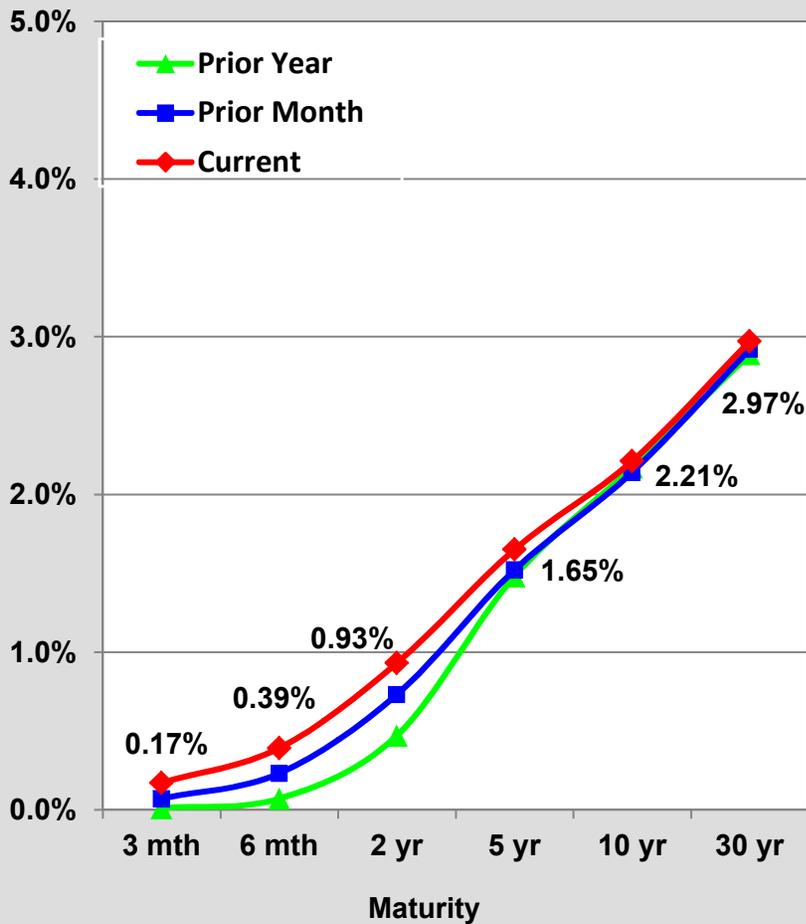
Swap Providers			
Bank	Long-Term Ratings Moody's/S&P/Fitch	\$ (in millions)	%
Morgan Stanley Capital Services	A3/A-/A	\$184	35
Goldman Sachs Mitsui Marine Derivative Products	Aa2/AAA /NR	136	25
JP Morgan Chase Bank N.A.	Aa3/A+/AA-	127	24
Merrill Lynch	Baa1/A-/A	85	16
Total		\$532	

- Items of Interest**
- Variable debt as a percentage of total debt:
 - Unhedged variable at 6% for Electric and 10% for Water and Sewer.
 - Hedged variable at 14% for Electric and 7% for Water and Sewer.
 - Liquidity facilities / direct purchase bonds are with highly rated providers.
 - No change in swap counterparty credit quality.
 - Wells Fargo direct purchase bonds - three year renewal in Sep 2015.
 - State Street liquidity facility renewed in Feb 2015 through March 2018.
 - Variable rate reserve to mitigate risk of higher rates – \$62 million.

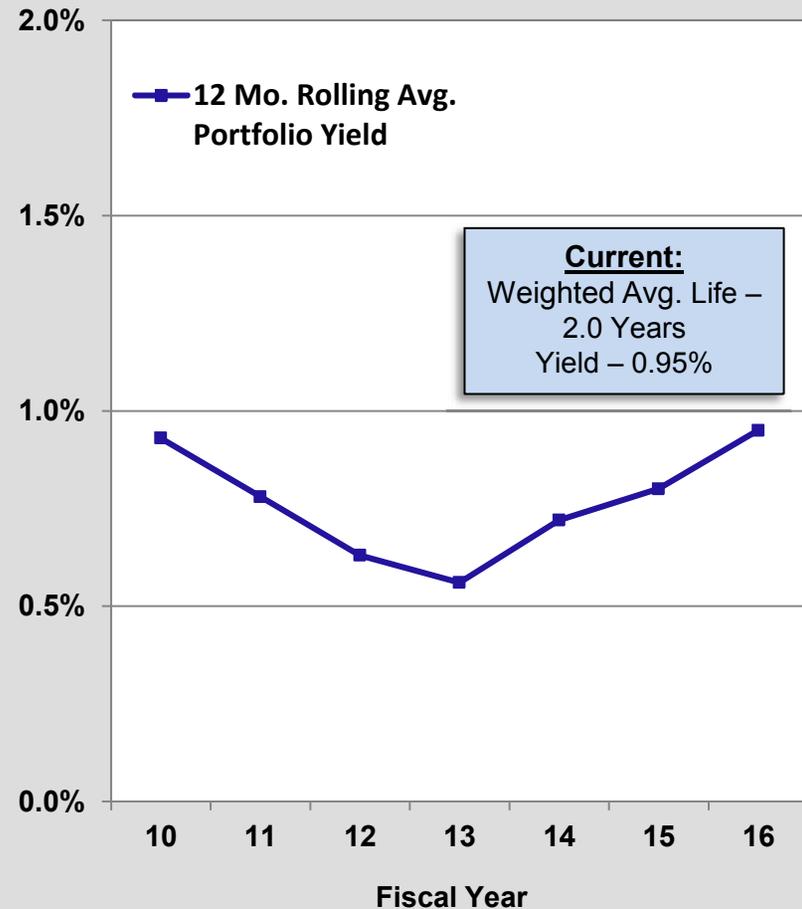


JEA Combined Investments Outstanding

U. S. Treasury Yield Curve



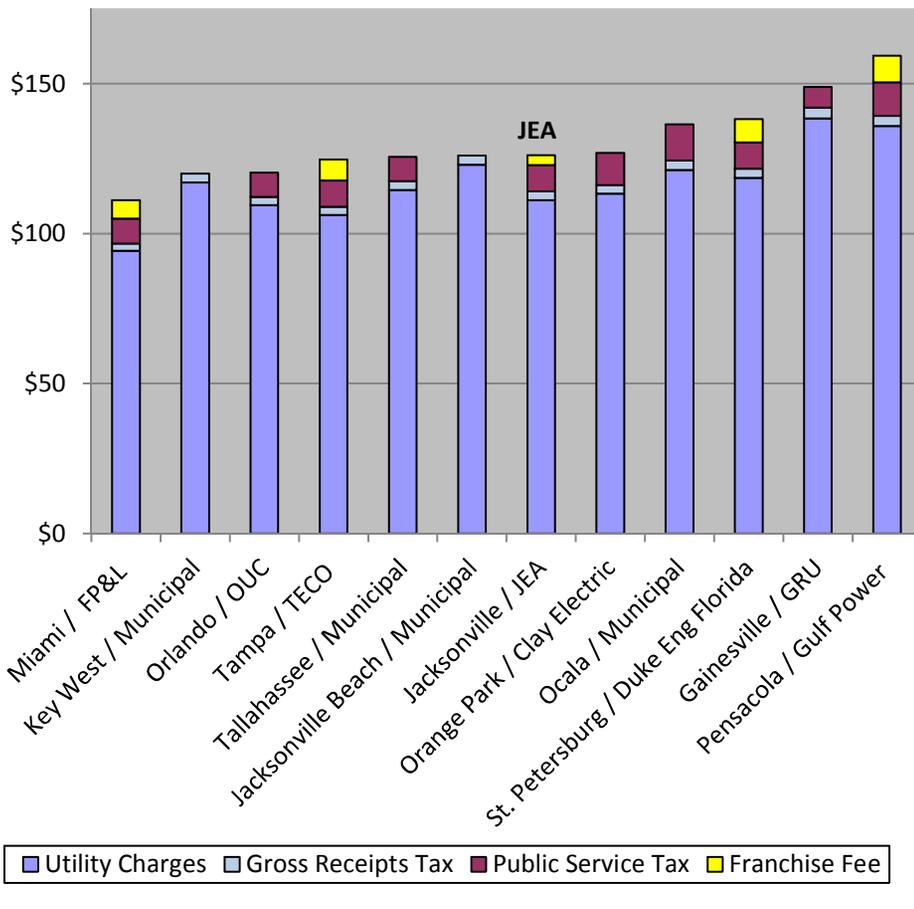
Investment Portfolio Yield





Florida Utilities Monthly Bill Comparison

Monthly Residential Electric Bills
Consumption @ 1,000 kWh



Monthly Residential Water Bills
5/8" meter and 6 kgal of Consumption

